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THE COAST REVIEW.

INDEX.

1898.

THE COAST REVIEW.

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United States Fire Business.

[From Coast Review Insurance Chart.]

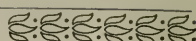
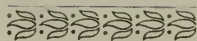
Since organized or admitted to the United States, the American and foreign fire offices have received in premiums \$2,522,531,861, and have paid in losses \$1,402,454,481. This is a paid loss ratio of 55 per cent. This, with an average expense ratio of 35 per cent., leaves a seeming underwriting profit of 7 per cent.

The loss payment total is misleading, because it does not include unpaid losses and unearned premiums. This additional sum brings the real loss experience up to \$1,579,803,499, and makes the real loss ratio 63 per cent.

The average expense ratio has been 34.7 per cent. of the premiums (and during the present decade 35.6 per cent.) Losses and expenditures have been \$2,455,362,089, leaving a balance of only \$67,169,772, or an underwriting profit of only 2.4 per cent. Since January 1, 1891, the average fire underwriting profit has been less than 2.2 per cent. These totals do not include the unpaid losses in the Chicago, Boston and other conflagrations which bankrupted a large number of companies.

An underwriting profit of only 2.4 per cent., earned by the surviving companies, is not large enough to justify any rate-cutting. American fire underwriters, according to the experience of the past, cannot cut rates and pay losses. A very slight average reduction in rates must end in the insolvency of a number of companies.

It is now in order for grocers and other coffee dealers to insure their customers against the new disease, "coffee heart," which is as fatal as "bicycle heart."



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Of America, N. Y.

Assets,	.	.	.	\$4,553,955.00
Surplus,	.	.	.	\$2,143,311.00

J. A. MACDONALD, President,

GEO. W. BURCHELL, Secretary.

ROLLA V. WATT, Pacific Coast Manager

JOHN T. FOGARTY, Superintendent of Agencies.

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ASSETS,	.	.	.	\$ 53,281,824 89
SURPLUS, (Net)	.	.	.	15,196,543 33
LOSSES PAID, OVER	.	.	.	112,000,000 00


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THE COAST REVIEW

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No. 1.

L A W .

Our Digest of Recent Insurance Decisions.

Fire.

Mortgagee's Interest.

Additional insurance taken out upon property covered by a previous policy in the name of owner thereof, with an indorsement that loss shall be payable to mortgagee named therein as his interest may appear, is not an insurance of the mortgagee's interest, but is an insurance of the property for the benefit of the owner, and, if taken out without notice or consent of the insurance company, is a violation of the condition in the prior policy, avoiding it in case the owner shall take out additional insurance without the knowledge or consent of the company. *Bank v. German Ins. Co. Kansas.*

Increase of Risk.

When policy contains a clause which provides that policy shall be null and void if the risk be increased in any manner, except by the erection and use of ordinary outbuildings, such clause applies to anything done, either directly or indirectly, by the insured, and not to those things which are done by another, and over which the insured has no control, and of which, possibly, he may not

even have had notice. *German Ins. Co. v. Wright, Kansas.*

In Husband's Name.

Policy provided that it should cover only the interest of insured in the property. Policy was issued in the name of husband of plaintiff, and for aught that appeared by evidence, covered only property owned by him. Plaintiff owned the property which was destroyed by fire, for the destruction of which suit was brought upon the policy so issued to her husband.

Held, That in absence of proof of mistake or fraud, whereby plaintiff's name was not inserted in policy instead of that of her husband, she could not recover.

Removal. Consent. Forfeiture.

Policy forbade the removal of property without the consent of the company. The agents were requested to change the policy so as to cover the property after it was removed to a new location. Agents said they were willing to make the transfer, and the assured was told to bring the policy to their office, and they would make an endorsement thereon, consenting to the transfer. Assured failed to take the policy to the agents and they went after it, but assured's agent said he was busy, and asked them to call again. They did so, but again failed to obtain

the policy, and the consent to removal was never indorsed on the policy, as required by its terms.

Held, That where an agent makes an agreement to change the terms and conditions of the policy, but only in conformity with its requirements, the company is not liable in the absence of evidence showing a waiver of such requirement. *Connecticut Fire Ins. Co. v. Smith, Colo. C. of A.*

Proofs of Loss.

Insured forwarded to the company a paper which he intended as proofs of loss. The only objections that could fairly have been made to the paper, as such proofs of loss, were that they were not furnished within the time required by the policy, did not state how the fire originated, and were not verified by affidavit. This paper was returned to the insured with the statement that "it contains none of the elements necessary to comply with policy or statute as to proofs of loss," reference being made to the policy and statute, without any intimation as to the grounds upon which the company objected to the sufficiency of insured's proofs.

Held, That good faith required that, upon the receipt of the proofs of loss, if the company was not satisfied therewith, it should have specified its objections thereto, to the end that they might have been perfected, if possible; and, the company having failed to specify the objections at a time when they might have been remedied, it should not, in an action on the policy, be heard to urge those objections. *Dyer v. Des Moines Ins. Co. Iowa.*

Live Stock. Place of Loss.

In a policy containing a separate clause reading, "\$500 on stallion four years old," pursuant to a requirement that "fancy stock shall be especially designated and a valuation placed upon each when insured," there is no restriction as to place of loss in respect to the stallion, though the preceding clause, covering other stock, has the limitation, "on live stock in or near said barns." *Eddy v. Farmers Mut. New York.*

Broker.

An agent that insures a person in his own company and acts as broker in procuring insurance for such person in other companies, is the agent of such person only as to such other companies. *West. Cigar Co. v. Ins. Cos.*

Limitation of Action.

Policy provided that no action thereon should be maintained "unless commenced within the term of six months next after the fire shall have occurred." By the law of Iowa the insured has sixty days within which to furnish the company notice and proof of loss, and may not maintain an action within ninety days thereafter. The property involved was covered by policies issued by twenty-four companies; and as under the policy condition, taken in connection with the statute, there would be but one month within which suit might be brought, it is evident that the amount of time required to begin so many actions would be greater than the time allowed.

Held, That an action brought seven months and four days after the fire was maintainable in such case. *Read v. State Ins. Co., Iowa.*

Incumbrance by Partner.

Where policy covering personal property was issued to partnership, the fact that one member thereof subsequently executed and delivered to another member a mortgage on such property did not constitute such an incumbrance as was contemplated by a stipulation in the policy that it should be void "if the subject of insurance be personal property, and be or become incumbered by a chattel mortgage." *Alston v. Phenix, Ga. S. C.*

Ownership.

Policy provided that it was understood that assured held title to the property under a land contract, with loss payable to vendor as his interest might appear, and that the policy should be void if the interest of assured was other than unconditional and sole ownership, or if the building was on ground not owned by assured in fee. In fact, assured was a mere pledgee of the land contract, with an insurable interest at the time of the loss much less than the amount of the policy, while the pledgor was in possession of the property under the contract.

Held, That upon such facts and the express terms of the policy, it was void. *Gettleman et al. v. Commercial Union Assur. Co. Wis.*

Waiver—Double Insurance.

An agreement for appraisement between insurer and insured provided that the submission was without reference to any other matter of difference than the damage to the property, and should be of binding effect only so far as regarded the same; and the policy

provided that the company should not be held to have waived any condition by proceeding to an appraisal.

Held, That the company did not waive a condition rendering the policy void in case of double insurance.

Held, That mortgagees who procure insurance on the mortgaged property, payable to them in case of loss, are not the "insured," within a condition of the policy making it void if the insured procure double insurance, where the owner pays the premium, and is the person said in the policy to be insured.

Policy contained provision that "This entire policy, unless otherwise provided by agreement, shall be void if the insured now has or shall hereafter make or procure any other contract of insurance on property covered by this policy." The evidence showed that the owner of the property procured a policy of insurance (of which the defendant insurance company had no notice until after the fire which destroyed the buildings) in another company covering the same property, and that he had knowledge of previous insurance which he agreed to procure for mortgagees.

Held, That the policy in suit, payable to the mortgagees, in virtue of the express provisions of the policy became void. *Holbrook v. Baloise, Cal.*

"Decorations."

The term "decorations to walls and ceilings" does not cover the painting of the outside walls of the building. *Sherlock v. German American, N. Y. S. C.*

Arson by Mortgagor.

Where policy, issued on the application of the owner of insured property, is payable, in case of loss, to a mortgagee, as his interest may appear, and such owner burns the property in order to realize on the policy, there can be no recovery on such policy for the use of the mortgagee. *Hocking v. Virginia, Tenn.*

Other Insurance—Knowledge of Agent Before Delivery of Policy.

Knowledge by agent of company, at time of procuring insurance, that insured intended to take out other insurance, does not operate as a waiver of a condition in the policy subsequently delivered, forbidding other insurance, except by consent of insurance company indorsed on policy; for in such case, the rule that a prior parol understanding or agreement can not control a subsequent contract applies,

and the waiver, to be effectual, must be subsequent to the written contract, and must be made, not only with knowledge of the other insurance, and with intent to waive the condition, but must be supported by a valuable consideration, or become operative by way of estoppel. *United Firemens v. Thomas, U. S. C. C. A.*

Rebuilding. Measure of Damages.

After election by an insurance company to rebuild under a policy giving it the right to pay in cash or to repair or rebuild, the measure of damages is the cost of repairing or rebuilding, where there has been a total failure to repair or rebuild, or the difference between the work as done and its value if done according to the standard of that existing before the fire. *Hartford v. Peebles Hotel, U. S. C. C. A.*

Did Not Read His Policy.

Plaintiff sought to avoid the force and effect of limitations and conditions of contract on plea that he never read the policy and did not know of condition against incumbrances. He had the policy in his possession more than six weeks before fire. Held, That there being nothing to preclude his reading it and no facts alleged or shown, and no act on the part of the company which could tend to mislead or induce him to neglect to inform himself of its contents, or prevent him from reading the policy, as soon as he obtained it, he is estopped to deny knowledge of its contents. *Skinner v. Norman, N. Y. S. C.*

Oral Agreement to Renew.

Verbal agreement by an insurance agent who is authorized to issue and renew policies that he would renew a policy which was about to expire is binding on the company, though the premium had not been paid when loss occurred, where insured in reliance on such agreement, took no further action in regard to the insurance, and the only thing said about the premium was the request of the agent that the insured would "try to not let the premium run longer than thirty days." *Squier v. Hanover, N. Y. S. C.*

Misrepresentation as to Sex Invalidates Policy.

Where a policy is obtained by a broker, as agent of the insured, upon the representation that insured was a business man, when in fact insured was a married woman, the misrepresentation of the sex of the insured avoids the policy. *Freedman v. Providence-Washington, Pa. S. C.*

Validity of Tax Discriminating Against Foreign Fire Insurance Companies.

Vice-President Evans of the Continental Ins. Co. favors us with a copy of the opinion of William C. Trull in the matter of the validity of a statute discriminating between foreign and other-State companies in the tax imposed as a condition of transacting business within a State. The question considered is whether or not this statute violates the fourteenth amendment of the National Constitution. The contention is that the statute, in imposing a greater tax upon one than upon the other violates the rule requiring equality in taxation, and denies to the corporation discriminated against the equal protection of the laws.

Some time ago F. Kingsbury Curtis, of counsel, addressed a letter to Chairman E. F. Beddall on the subject of discriminatory taxation of alien insurance companies. This letter was called forth by the decision of the supreme court in the case of *Fraser*, alien, versus a Pennsylvania corporation. The law imposed a tax of three cents a day on foreign, unnaturalized workingmen.

It was held that the fourteenth amendment to the Constitution, in declaring that no State "shall deprive any person of life, liberty or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws," undoubtedly intended not only that there should be no arbitrary deprivation of life or liberty, or arbitrary spoliation of property, but that equal protection and security should be given to all under like circumstances in the enjoyment of their personal and civil rights; that no impediment should be interposed to the pursuits of anyone, except as applied to the same pursuits by others under like circumstances; that no greater burdens should be laid upon one than are laid upon others in the same calling and condition.

When this law was passed, another bill of the same character, taxing alien insurance companies, was defeated. It is now argued that the foregoing decision of a

Federal circuit court, in the alien labor tax case, applies equally to alien insurance tax laws, and this opinion is supported by the Pennsylvania attorney-general.

Mr. Trull takes a very different view, though admitting that the general rule is that constitutional provisions for the protection of the rights, privileges and property of persons includes corporations. After an elaborate presentation of cases and arguments, his conclusions are: first, that every State has power to exclude foreign corporations; second, that a State may admit some and exclude others; third, a State may at pleasure revoke a license; fourth, no foreign corporation is within the jurisdiction of a State in the sense that it can avail itself of the Constitutional amendment, as respects the tax or conditions which may be imposed upon the continuance of its business within the State, nor (fifth) until at least it has complied with the conditions imposed; sixth, even if the foreign corporation can invoke the protection of the fourteenth amendment, no provision of the discriminating tax under consideration violates any provision of the amendment.

Counsel says that although the word "persons" may include corporations, it by no means follows that a foreign corporation can appeal to the provisions of the fourteenth amendment for protection; for foreign corporations have no right to transact business in a State other than that of their origin, without the consent of the State in which the business is transacted. Every attempt on their part to assert such right and enforce its recognition has been denied by the courts. *Paul v. Virginia*, 8 Wall. 168; *Doyle v. Continental*, 94 U. S. 535, and other cases are cited.

Justice Field said: "The corporation being the mere creation of local law, can have no legal existence beyond the limits of the sovereignty where created." In another case the Federal supreme court said: "The cases of *Bank v. Earle*, *Ducat v. Chicago*, *Paul v. Virginia*, and *Ins. Co. v. French*, establish the principle that a State may impose on a foreign corporation,

as a condition of coming into or doing business within its territory, any terms, conditions and restrictions it may think proper, that are not repugnant to the Constitution or laws of the United States." Still, this leaves an opening for the foreign contention, which holds that the discriminating tax, as in the Pennsylvania alien tax case, is repugnant to the laws of the Nation.

In *Liverpool & London v. Oliver*, 10 Wallace 566, the Massachusetts discriminating tax was held constitutional by the Federal supreme court. A similar decision was given by the same court in the case of *Philadelphia Fire v. New York*, 119 U. S. 110, notwithstanding the objection that the statute was contrary to the Fourteenth Amendment.

Bill for a National Insurance Department.

A "bill to establish a division in the treasury department for the regulation of insurance among the several States, and for other purposes," has been introduced at Washington by Senator Platt of Connecticut. The author is said to be Nat Tyler. The notorious inefficiency of State supervision of insurance, and the abuses of the system by cranky or dishonest officials, have at last created a strong demand for National supervision. It may not be the good fortune of this particular measure to succeed, but persistence in so good a cause will eventually win deserved success.

The bill provides that the chief of the proposed National insurance department shall be known as the United States commissioner of insurance, and shall be appointed by the President. Fire and marine companies are required to make deposits of National or State bonds above par, as follows: American, \$100,000; foreign, \$500,000; \$50,000 extra for each additional kind of insurance. It is unlawful for any company doing business under this act to segregate any of its assets for the benefit of the people of any State (foreign States excepted). The collection of fire statistics is one of the duties of the commissioner. Hostile legislation abroad

is to be reported to the secretary-of-state, that retaliatory action may be taken. The proposed measure has been read twice and referred to the committee on interstate commerce.

Accident Insurance Decisions.

DROWNING.

Death caused by accidental drowning is death "through external, violent, and accidental means," within the meaning of the stipulation of an accident policy which gives indemnity against death by such means.

VOLUNTARY EXPOSURE.

The term "voluntary exposure to unnecessary danger," in an accident policy, does not embrace every exposure of the assured that might have been avoided by the exercise of due care on his part. It relates to dangers of a substantial character, of which the assured at the time had knowledge, and to which he purposely exposed himself, intending at the time to assume all the risks. *U. S. Mut. v. Hubbell*. Ohio.

INJURY IN MORE HAZARDOUS OCCUPATION.

One insured as a bookkeeper against accident by a policy classifying as more hazardous the occupation of "hunter or hunting" and providing that if injury occur "while performing an act pertaining to an occupation classed as more hazardous," than the one under which the policy is issued, "or while engaged in a more hazardous occupation" insured shall be entitled only to such indemnity as the premiums paid would purchase in the class in which such occupation is classed, is not prevented from the recovery of the indemnity provided for a bookkeeper, though shot by the discharge of a gun he was carrying while hunting for recreation. *Holliday v. American Mut.*, Iowa, S. C.

Assessment Decisions.

A member in default in payment of an assessment is not entitled to have a guaranty deposit, made by him on taking out the insurance, applied in payment of the assessment.

Where a mutual association continued to recognize the validity of a certain certificate it thereby waives forfeiture for non-payment of mortuary assessments, regardless of the health of the holder and of any secret intention on the part of the association not to waive. *Mee v. Bankers Life Assn.* Minn.

LIFE.

Bankers' Life Association of Minnesota.

The adoption of the name "Bankers" does not appear to have helped the Bankers Life Association of Minnesota, a St. Paul affair. Though it has been thrashing round since 1880, and has been one of the main stays of the postal department, its membership at last accounts was only 12,020, which was a loss of nearly 300 in the year; and its insurance in force fell off about \$600,000, though similar associations reported gains in the number of members and the amount of insurance. There is no wave of prosperity in this decline. If it is not speedily checked, and a lively ascent begun, the inevitable day of dissolution will come much sooner than needs be. The members of the Bankers Life of Minnesota should closely scrutinize the statement for the past year, as soon as issued; and immediately flee from the evil soon to come if the association does not report a considerable increase of new business, membership and insurance in force. When the Bankers Life of St. Paul ceases to grow it is on the borderland of failure.

Are These Fair Samples of Travelers Litigation?

Up in Maine the Travelers resisted a claim on the ground that its liability policy covered injuries sustained by the employees of insured while engaged in lumber operations, and not while traveling on the lumber tram-way on the way to work.

The Georgia supreme court decided against the Travelers. The insured was injured while leaving a moving car. Double benefits were claimed under the travel policy. The Travelers very meanly claimed that this accident was not an accident of travel. The Georgia supreme court ruled that it was, and the Travelers was forced to pay as agreed. No wonder the present management of the company hate the Preferred Accident, which originated the double benefit policy.

The Travelers does not pay murder claims. In *Butero v. Travelers*, in Wis-

consin supreme court, it was held that the insured could not recover under the Travelers policy, which excepts injuries inflicted by "insured or any other person," even if the killing was accidental as to the insured. The insured was murdered. There were two men at work in a coal-shed on a dark night. One of the men was unhurt and he ran away in safety. The other was killed. It is not stated whether the murderer fired at him or his comrade, or at both. The presumption is that if a murderer shot at one man whom he mistook for another, the Travelers would not pay the claim.

We wonder if these are fair samples of the defence offered by the Travelers.

A Veritable Narrative.

The *Equitable Record* asks monthly for "a good life insurance story, rather on the humorous than the tragic side." The December number prints a story told by Mr. Brophy of the home office. General Agent L. Samuel of Portland, Or., is "the hero" of this story, the truth of which is duly attested.

For years whenever Mr. S. visited Astoria he called on one of the leading merchants, but none of his propositions, nor his figures, nor "the largest surplus," nor options, nor any specially good thing, won the desired application. Finally, Mr. S. visited the merchant with his nineteen-year old son, whom he was just starting in the insurance business. Still the obstinate merchant did not capitulate; and moreover he said "nine years' pumping life insurance" into him had only confirmed him in the resolution not to take what he did not want. Mr. S. calmly replied:

"I like talking life insurance and I have enjoyed interesting you in it all these years, knowing it was only a question of time when I would get your autograph on a \$10,000 application. I am to-day nearly fifty, but I believe I have yet a good many years to live. Meantime, I propose keeping on seeing you a few times every year in this connection while I live, and should I be called away at any time to a better land my son Eugene here will take hold of you just where I left off."

The merchant promptly surrendered. Then and there he signed an application for a \$10,000 policy. The moral of this true story is equally obvious to both life insurance solicitor and solicitee.

THE Royal Arcanum now pays the widow one-third and the minor heirs two-thirds.

A Few Recent Pacific Western Death Claims.

Albuquerque, N. M., Francisco Frank	\$ 5,000	Palo Alto, Cal., A. M. Pettingill	\$ 1,000
Albuquerque, C. W. De Andreson	1,000	Petaluma, Cal., H. H. Atwater	2,685
Alameda, Cal., John G. Ward	3,000	Prescott, Arizona, J. L. Fisher	5,000
Alameda, Cal., Hugo Eloesser	8,000	Prescott, A. T., J. P. Bruce	2,000
Blackfoot, Idaho, Chas. Bunting Jr.	65,575	Pasadena, Cal., J. H. McCullough	2,461
Birds Landing, Cal., Julian B. Hoyt	4,484	Pasadena, Cal., F. E. Wood	3,000
Chico, Cal., Charles Faulkner	12,072	Payette, Idaho, J. T. Holland	5,000
Central City, Colo., W. T. Vivian	1,500	Portland, Or., Adam L. Sommer	2,463
Central City, Colo., T. K. Warwick	1,000	Portland, Or., David S. Tuthill	23,488
Coronado, Cal., Geo. Foster	7,500	Portland, Or., W. H. Moore	3,008
Cripple Creek, Colo., E. S. Robinson	1,500	Portland, Or., W. Rodkey	2,000
Durango, Colo., Sylvanus W. Cobb	1,301	Paradise, Cal., May Paxton	2,500
Denver, Colo., Maurice Guiterman	7,657	Rockford, Or., W. J. C. F. Stafford	1,000
Denver, Colo., Samuel Clark	2,194	Russell Gulch, Colo., James A. Goddard	2,500
Denver, Colo., R. F. Manders	5,000	Riverside, Cal., Joseph P. Raymond	1,500
Denver, Colo., John A. Lennon	7,001	Salt Lake, Utah, D. M. Tyrrell	2,200
Denver, Colo., Thomas Haggart	2,000	Salt Lake City, Utah, A. P. Sinclair	7,156
Denver, Colo., W. Y. Byers	5,000	Salubria, Idaho, H. E. Moore	2,000
Denver, Colo., R. L. Lawrence	5,000	Scott Valley, Cal., J. M. Wolford	1,001
Denver, Colo., M. J. Kelleher	5,000	Seattle, Wash., John F. Dodge	1,047
Evanston, Wyo., John Carrick	2,500	Seattle, Wash., Fred Kuschner	15,213
Eddy, N. M., E. W. Lowe	2,500	Seattle, Wash., J. E. Fox	15,000
Eureka, Cal., Cephas Acheson	2,000	Seattle, Wash., Wm. H. Warner	1,660
Fairhaven, Wash., A. McKenzie	4,716	Sedro, Wash., Frank Brosseau	2,000
Florence, Colo., S. P. Nichols	1,000	Skyland, Cal., Herman Marx	1,008
Fresno, Cal., A. J. Wiener	4,000	San Francisco, C. F. Crocker	100,589
Ft. Collins, Colo., Mrs. C. M. Galbraith	2,000	San Francisco, Martin P. McKee	3,000
Golden, Colo., Chas. H. Jasper	1,000	San Francisco, Galt T. Remmers	2,000
Highlands, Cal., W. H. Randall	2,000	San Francisco, E. B. Rambo	2,515
Hoquiam, Wash., Geo. A. Woods	1,000	San Francisco, G. F. Brown	3,355
Helena, Mon., A. S. Kellogg	1,002	San Francisco, Isaac Marks	1,704
Hamilton, Mon., John H. Clark	1,000	San Francisco, Michael Scholl	2,380
Irvine, Cal., W. H. Mack	4,482	San Francisco, Patrick J. White	1,500
Jocko Station, Mon., E. W. Nash	2,500	San Francisco, Geo. F. Brown	3,355
Junction City, Cal., H. C. Schneider	2,903	San Francisco, Luke Robinson	10,001
Jackson, Cal., Samuel Harvey	2,500	San Francisco, J. P. McLean	3,000
La Junta, Colo., E. H. McGinn	4,000	San Francisco, Herman E. Seidack	2,000
Lancaster, Cal., W. H. Beckwith	2,000	San Francisco, James Simpson	10,010
Lamar, A. T., John T. Blakeley	1,000	San Bernardino, Cal., Geo. E. Blain	2,029
Leadville, Colo., Cooney Nolde	1,053	San Antonio, N. M., M. A. Blanchard	1,000
Los Angeles, Cal., J. M. Witmer	8,250	Santa Cruz, Cal., A. H. Bailey	2,667
Los Angeles, Cal., Frank B. Taylor	5,498	Santa Cruz, Cal., Johan E. Kunitz	2,000
Los Angeles, Cal., Henry Fenton	2,008	San Jose, Cal., Rebecca S. Hensley	1,000
Los Angeles, Cal., Oscar A. Kunkell	2,000	Sacramento, Cal., Albert Foster	18,560
Los Angeles, Cal., James M. Davis	2,500	Saratoga, Cal., Asa B. Palmer	1,206
Los Angeles, Cal., Emil H. Huebbe	3,000	Silver Plume, Colo., W. A. Garrett	2,500
Los Angeles, Cal., L. C. Cobbe	10,000	Silver City, Utah, Chas. W. Sisson	3,000
Los Cerescenta, Cal., T. F. Hinkley	3,500	San Ramon, Cal., David Glass	2,504
Marysville, Cal., Wm. Mehl	1,000	Spokane, Wash., Fitz Roy Osborn	5,000
Napa, Cal., Jas. F. Lamdin	5,029	Spokane, Wash., James Stuart	2,000
Napa, Cal., Edward Jensen	2,000	Stockton, Cal., Henry Friedrichs	5,039
Newport, Or., Samuel Case	5,000	Sheridan, Wyo., James Ritchie	3,000
Oakland, Cal., Walter R. Brown	2,000	Socorro, N. M., John F. Brun	1,000
Oakland, Cal., I. J. R. Cockroft	2,500	Tucson, A. T., James E. Hunter	1,000
Ogden, Utah, W. W. Fife	5,000	Vancouver, S. C., Geo. W. Girdlestone	5,000
Olive, Cal., Wm. Passmore	1,000	Victor, Colo., Michael Hayes	1,000
		Victoria, B. C., Ludwig E. Erb	8,510

The World's Life Insurance Business.

From Insurance Spectator of London.

In the German accounts, all kinds of insurances which can by any stretch of imagination be classified under life business, are included, and thus the aggregate made to appear higher than it should. Thus, for instance, "burial money," a total of £2,193,639, forms part of the statement relating to life insurance. This can only be excusable on the ground that the best possible show should be made of the home offices. The record of the English companies deals, on the other hand, with ordinary life policies only, and does not so much as mention the large figures comprising the industrial branch, producing some £14,000,000 in premiums. As to the American companies, they only comprise those admitted to do business in the State of New York.

NEW BUSINESS.

Nationality of Companies.	No.	New Policies Issued.		
		New Business in 1896.	No.	Average Amount.
English	74	£ 51,040,306	143,568	£355½
German	41	26,315,047	139,045	189
Austrian	16	9,758,062	58,137	168
French	17	12,635,474	26,438	478
Scandinavian	15	3,856,704	21,151	182
American	35	150,152,253	316,415	474½
Swiss	6	1,452,072	8,655	168
Total		£255,209,818	713,409	£349

LAPSED POLICIES DURING 1896.

Companies.	From Death.	Matured during lifetime.	
		By non-payment of premiums.	By re-purchase.
English	£11,572,018	£2,040,620	
German	3,540,059	1,015,098	
Austrian	893,586	608,951	
French	1,847,420	1,571,313	
Scandinavian	278,117	13,513	
American	13,828,430	2,643,500	
Swiss	267,392	39,685	
Companies.	By re-purchase.	By non-payment of premiums.	
English	£ 5,715,000	£ 9,750,000	
German	2,597,696	3,760,797	
Austrian	1,035,843	4,560,500	
French	1,453,225	6,795,944	
Scandinavian	232,903	1,017,700	
American	29,034,047	75,768,209	
Swiss	116,617	269,085	

BUSINESS IN FORCE.

Companies.	Policies in Force.	Outstanding Annuities.	
		Net Increase.	Outstanding Annuities.
English	£ 551,645,412	£22,461,068	£1,230,700
German	278,931,170	15,401,396	564,884
Austrian	76,128,810	2,659,191	148,237
French	139,989,864	962,472	2,684,456
Scandinavian	27,957,353	2,314,601	97,466
American	1,055,609,984	28,877,963	559,172
Swiss	14,816,952	759,673	74,327
Total	£2,165,079,545	£73,436,364	£5,356,242

FUNDS.

Companies.	Guarantee Funds.	Total Assets.
English	£197,250,912	£204,379,825
German	70,378,340	99,018,483
Austrian	19,181,339	24,487,140
French	70,221,744	83,564,019
Scandinavian	5,586,535	9,476,513
American	319,892,128	261,018,922
Swiss	4,044,563	5,313,783
Total	£591,555,561	£687,258,685

These assets represent 37 per cent. of the English policies in force, 33½ per cent. of the German, 32 per cent. of the Austrian, and 24¾ per cent. of the American outstanding policies. The French position does not bear comparison, on account of the large amount of annuities the French offices have granted.

REVENUE DURING 1896.

Companies.	Premiums.	Interest.	Total.
English	£21,022,814	£ 7,576,283	£ 29,087,853
German	11,339,411	3,113,635	14,664,650
Austrian	3,019,738	852,167	4,244,648
French	8,546,509	2,823,869	11,375,378
Scandinavian	986,640	246,005	1,273,842
American	47,539,293	11,495,155	59,266,784
Swiss	647,527	165,341	855,773
Total	£93,101,932	£26,272,535	£120,868,928

OUTGOINGS IN 1896.

Companies.	At Death.	Payments during lifetime.	
		Interest.	Annuities.
English	£11,572,018	£2,042,130	£1,230,700
German	3,486,153	1,019,208	460,855
Austrian	846,181	574,293	73,865
French	1,847,475	1,576,313	2,393,114
Scandinavian	273,641	13,513	59,001
American	16,166,775	2,562,317	559,172
Swiss	259,642	39,726	60,892

DISTRIBUTION OF SURPLUS FUNDS.

Companies.	Net Surplus.	Distributed amongst	
		Policyholders.	Shareholders.
English	£1,581,782	£1,008,220	£573,562
German	2,246,157	1,968,701	111,612
Austrian	203,875	53,538	67,644
French	954,760	401,410	380,520
Scandinavian	120,723	71,158	24,004
American	6,133,294	3,630,173	168,523
Swiss	69,657	53,201	7,707

Although twenty of the forty-one German companies have agencies abroad, not a single one is represented in the United Kingdom. Their field of operations extends to Belgium, Denmark, Finland, the Netherlands, Italy, Austria, Hungary, Scandinavia, and Switzerland. Of the foreign offices operating in Germany, the English head the list with twenty-six. There are five French offices in the Fatherland. Altogether fifty-one European companies compete in the Fatherland with the forty-one home offices. The American

companies are represented by the Equitable, Germania of New York, the New York, the Mutual of New York, and the Mutual Reserve Fund of New York; but, whereas the Equitable voluntarily withdrew, in 1894, from Prussia, and from the other German States, except the Hanse towns, ministerial decrees, dated respectively September 1st and November 1st, 1895, canceled the concession for Prussia as regards the Mutual of New York and the New York. These companies' German business is consequently confined to the other States of the Empire.

The Crosbie Case.

Judge Seawell of the superior court of San Francisco gave judgment for the defendant, in the case of George v. The Pacific Mutual Life Ins. Co., on January 4. One George Douglas Atcherly Crosbie, a young Englishman, took out a lot of life and accident insurance a few weeks before his death by a gunshot wound. The amount of insurance was not warranted by his income, apparently, for Crosbie was in financial distress.

Crosbie lived near the City of Mexico, and was or had been in the employ of a British mining syndicate. On the night of the shooting, the deceased and two friends started with rifles for a moonlight rabbit shooting. Later, he was found with a bullet-hole in his breast. Death soon followed. None of the party saw the shooting. One life policy was paid in full. Another policy, accepted and written in New York after the man's death, was settled on the basis of a compromise. Payment of the accident policy was refused, on the ground of suicide. The Pacific Mutual first sent an attorney to Mexico to investigate, and he reported that all the circumstances pointed to suicide.

The defendant company contended that there was no evidence to show that Crosbie had not committed suicide. The only evidence of accident was the ante-mortem statement of the insured, which is not admissible in civil cases. The court ruled that while the legal presumption is always against suicide or murder, in an action on an accident policy the burden of proof rests with the plaintiff. Such surrounding circumstances must at least be shown as to enable the court to arrive at a fair and reasonable conclusion as to whether the death was accidental or not. The plaintiff failed to present any proof of accidental death.

THE Royal Arcanum has had nearly 500 suicides.

NOTES.

The New England Mutual has entered Georgia.

The Guarantors Finance will withdraw from Ohio.

The Pacific Mutual is making a good record in Ohio.

After April 1 every letter carrier must furnish a \$1,000 corporation surety bond.

The Chicago Life Underwriters Association has a "Ladies' Night" on January 21.

The receiver of the United States Mutual Accident is suing policyholders right and left.

The defunct Bay State Beneficiary of Westfield, Mass., may pay twenty cents on the dollar.

The Travelers may surrender its charter and re-incorporate elsewhere, says its president.

The Union Central Life recently wrote a hundred thousand on the life of a Chicago merchant.

"Lightning Special" Joseph Clarke of Louisville has disappeared. He left debts amounting to tens of thousands.

The Mercantile Mutual Accident Assn. of Boston has been enjoined from doing business. Debts and no money. Next!

The receiver of the Equitable Aid Union of Pennsylvania hopes to pay 5 per cent. of the \$650,000 unpaid claims.

No commission was paid on the Vanderbilt million-dollar policy. President McCurdy of the Mutual secured the risk.

Connecticut's State Treasurer is suing the Travelers for back taxes. The company is earning an unenviable name in this respect.

In the East the prejudice against Kansas is such that the Kansas Mutual Life finds itself unable to do business, and has retired from several States.

The infamous Dodson bill did not pass the Georgia legislature. It put a premium on crime by requiring the return of premiums paid on fraudulent policies.

President Scott of the Provident Savings was presented with a silver loving-cup by the officers and employes on the first anniversary of his presidency.

The Fidelity & Deposit loses the surety business of New York city. Boss Croker is once more in the saddle and will give the patronage to a rival company in which he owns stock.

The Travelers has withdrawn from Kansas, rather than submit to an examination by the insurance superintendent. The company's Kansas premiums were only \$48,000 in 1896, while its losses were \$166,000.

The American Protective Association arranged with a New Jersey company to insure its members, but the company retired, rather than fulfill its contract. Now the association has made a similar contract at lower rates, with the Fidelity Mutual of Philadelphia.

Another Iowa association declines to pay a claim on the ground that it was not licensed to do business in the State in which the contract was made. This time it is the Mutual of Watertown which vainly pleads its own law-breaking as a reason why it should escape paying a debt.

The New York Life Insurance Company.

GREAT GAINS IN NEW BUSINESS AND IN INSURANCE IN FORCE—OVER \$134,000,000 WRITTEN AND PAID FOR LAST YEAR.

The first life office to report its business for the year just past is the New York Life Insurance Company. The returns are exceedingly creditable. The company closed its books at noon on December 31, and in a short time thereafter was able to present its agents and policyholders with a sum of the insurance written and gained, death losses and endowments and dividends paid, and loans made. On January 1st Uncle Sam's postal servants were delivering "the returns."

During 1897 the New York Life insured 63,000 persons in a sum exceeding \$134,000,000, all paid for. This is a gain of \$14,000,000. It brings the total insurance in force up to the magnificent sum of \$875,000,000, which is a net gain of over \$49,000,000 in a year. These results have been accomplished with a decrease in the expense ratio.

As the reader is invited to read on a colored page elsewhere, the company notifies its policyholders that a fund of over \$16,000,000 has been set aside, which, with the policy valuation by the State department, will be equivalent to a reserve at three per cent. on all its policies in force. Further, on all policies written hereafter, the company will also hold a three per cent. reserve, but will not increase its premium rates.

The company's very creditable figures, its prompt presentation of same, and its increased reserves without increase in premiums, combine several good features which can not fail to favorably impress the public. The company's agents, we may be sure, will waste no time in submitting them to the public; and they ought to be able to send Managing Director McLane a lot of extra new business in consequence thereof.

THE New York Life is the first life insurance company to publish its business

for 1897. It reports only the business written and paid for.

Life Insurance and Pauperism.

FROM AN ADDRESS BY RABBI VOORSANGER AT THE ANNUAL BANQUET OF THE SAN FRANCISCO LIFE UNDERWRITERS' ASSOCIATION.

The nineteenth century will always be known in history as an age in which many humanizing influences modified the political and social condition of human life.

Two ideas stand out in our history as the brilliant children of the nineteenth century, —children that, like most of the achievements of the human race, come of ignoble parentage. The first is the idea that the *ego*, the individual, is a personality, whose operations on the community act for better or for worse. Every man is a man, a responsible agent, a contributor to the good or evil of his time. We owe that idea to the mental friction of two centuries and to the revolutions that extended to the last years of the first part of this century. The slave who rebels against the master of his labor and the owner of his body, is the parent of the noble teaching of our age that all men are free and equal.

With the change of position came as a twin idea the dignity of labor. All effort now is labor. Labor is property and the toiler has a clear title to the usufruct of his investment. Slavery is dead and in point of fact there are no longer masters; master and servant are convertible terms, representing the persons who engage in a mutual contract for the faithful performance of labor in which they are both interested. Capital and labor are convertible terms representing merely the mechanical apparatus by which sustenance of life and limb can be produced and the energies and industries of society stimulated and developed.

These are two noble ideas, gentlemen, the equality of man and the equality of labor, and around these two ideas revolve many conditions, some of which are still in process of development, for mankind but gradually emancipates itself from much of its old world conceptions. Society is reluctant to adopt ideas that indicate radical changes, and it is this reluctance that sometimes will produce Michael Bakomin's nihilistic theory of force, and at other times will incline religious ethics to teach submission to Cæsar, even though Cæsar be cruel and unjust, and grinds human flesh between the upper and nether millstone.

The pauper and the slave are natural conspirators against the safety of society, for their change of condition means everything to them, whilst a failure cannot aggravate their former misery. If then we discover the remarkable fact that the growth of the two ideas of the equality of manhood and the independence of labor has not suppressed the proletariat, and if on the contrary we discover a distinct tendency in the direction of an increase of pauperism in modern times, is there not reason to suspect the utility and social integrity of these ideas? Not at all. They are sound enough and work well enough, but the conditions in which they are placed prove fully that ideas in order to become factors in the happiness of society must be aided by external influences through which they become accessible and acceptable. Ideas are as old as the world. The external influences that make them operative only come in time.

A pauper is a poor sort of freeman. He is a man who lives by privileges like the mob of old, with this difference, that his disgrace is keener, because the theories of modern life altogether preclude its existence. Since equality is law the pauper is a law-breaker. He neither toils nor spins, hence he preys on the legitimate earnings of others, contributes nothing to the energy of the commonwealth, laughs at the mutuality of capital and labor, demands privileges in a community that recognizes none and so proves us to be men, dreamers and theorizers, who have set up sham puppets for an audience before which to ventilate our pretty notions of equality. The pauper proves the folly of the equality of man and the dignity of labor.

What produces this modern pauper in this age of equality? Primarily, an incapacity to discharge the responsibilities that come from a declaration of equality. It matters little just now how that incapacity is engendered. We know many of the causes. Too often we rail at the shiftless mob without inquiring as to what makes the mob. Often a poor devil is asked why he does not work, without an inquiry as to whether the work exists. Many men are naturally idle, prone to despise the toil that brings bread legitimately, natural hawks that prey on their neighbors with far less mercy and tenderness than the larks that sweetly chirp their appeal for crumbs of bread. But, gentlemen, such people are in the minority. Man, as a rule, is disposed to earn his bread. The father of a family will seek it legitimately, no matter how small the

earning. Begging is the disgraceful occupation of very few.

We are really unhappy when we are forced to admit that the growth of the proletariat does not proceed from natural sources, but from the still unequal conditions that prevail in society. We have not backed up our theories. We proclaim man equal, but we crowd all energies into the keeping of a few and let the rest of men shift for themselves. Correspondingly, by keeping away from men the means of asserting their equality, we place burdens upon our own shoulders the nature of which we do not understand. If we grumble at the beggar, we do not understand that we are responsible for the beggar. If we complain at the heavy taxes for the support of the helpless, we do not understand that we are to blame for their helplessness.

For what is equality? An equal division of property? Nonsense. An equal division would last just long enough to prove that nature herself is responsible for many of the impossibilities of man to restrain himself. No, the true equality is the equal opportunity, every citizen answering to his capacity. Equality is an endorsement of the individual who takes his place in society, assumes his responsibility and being able to discharge it without cost to his fellow-citizen, or, to say it differently, with a just and legitimate mutual compensation for such responsibility. Come now, that is the sun-spot of our times. Most poverty is just that kind of inequality, lack of opportunity to discharge civic responsibility.

There is, so far as I can presently see, but one effective remedy to prevent pauperism, and that is the promulgation of a doctrine that no man, who desires to be and to remain his neighbor's equal, should use and absorb from day to day the earnings that come to him from the discharge of his responsibility. I have a simple maxim for my own children that I fervently pray they will live up to. It is that a man who is one dollar ahead of his income and expenditures is an independent citizen, whilst the man who is just a dime behind is a pauper. If money represents the earning power of society—and labor, too, is money—what tremendous independence there is in being able to retain in one's possession a fraction of the earning power! What magnificent sources of true equality are there in this doctrine, that a man should, as long as possible, retain within his grasp a part of his earning capacity!

He who earns money and wastes his whole

substance robs himself of the means to sustain himself, when from some cause or other his main earning capacity is crippled. We know now who will swell the ranks of the proletariat. The pauper is he who has no earning capacity, hence who can never discharge his proportionate responsibility to the commonwealth. But what about the man who spends more than he earns? He is a criminal, for by the stern logic of this paper he spends some of his own earning capacity besides some of the capacity of his fellow-citizens.

The main factor in the self protection of society against pauperism is not education, but the creation of an apparatus, which conserves and administers upon the economized energies of society, so that there shall be no break nor stop in the individual's usefulness. When the earning capacity of all men perpetuates itself, if only to a modified degree, we may reasonably hope to overcome the dangers of a growing proletariat.

I know of no more striking illustration to clinch my argument, than that of *life insurance*, which I consider to be the greatest civilizing tendency of the nineteenth century. I understand life insurance to be an apparatus by which the economized energies of the citizens represented in dollars and cents, are conserved and perpetuated, to be distributed at the needful time according to the ratio of investment. Very few people, I fear me, invest your business with so comprehensive a character. The mere idea that life insurance means the getting of a sum of money after death does not represent its beneficent tendency to really perpetuate a man's power to earn money after he has passed away. I consider it the greatest bar to pauperism now extant in modern society.

Even conceded that life insurance is a business and that its promoters are not philanthropists, since that is their responsibility, their system of earning money, it is obviously unfair to look at aught but the influence it wields in disposing of that momentous question, the promotion of equality by the suppression of the pauper. Let us for a moment look at its tendencies and the fact of its influence will become clearer.

Being insured means in the first place the assumption of an obligation to segregate a part of one's earning capacity, so that at some time the aggregate parts may become an independent capacity. This inculcates the habit of economy, and in point of fact economy is purely the conservation of capacity to con-

tinue the function of making money. This economy being a domestic virtue, inspires a feeling of self-reliance, independence, self-consciousness and generates a conviction that one in reality is the equal of all other men. A parent who habitually reasons this way will go one step further, and you will find that step a legitimate one. The virtue of economy having become concrete in him, his ambition will grow, and he will not only desire independence for his family after his death, but for himself while he lives.

It is this simple logic, gentlemen, that makes life insurance the savings bank of so many excellent people. There is the closest connection between the two institutions. So will the conservation of energy promote and create a thousand conditions of happiness before which pauperism flies with downcast eyes, unsuccessful in its disgraceful and degrading mission. The man who, whilst he lives, has a policy, is always ahead of poverty. He is not poor. In the day of his calamity he finds protection. He has, in a better sense than the usual one, money in the bank.

Under the improved aspects of life insurance, I hope that the man who so saved his money never will want a dollar while he lives. He is ahead of himself. He has an investment, a part of the accrued earnings and energies of the world belong to him. He is not, never will be, a pauper. He has done his duty. He has discharged his responsibility and obeyed the law of equality, in that he has not neglected or refused to accept his opportunities. What is the consequence of his virtuous action? A great deal of the misery and misfortune of society comes from this one fact that people do not save the one surplus dollar, which is the fraction of energy they have wasted, for they could have lived without it. And, so society is necessitated to found and erect a number of eleemosynary institutions, which simply means that society is compelled to impose on itself the task of prolonging the helplessness of some people and correcting the helplessness of others.

What is an orphan asylum? For the purpose of this argument let us try to divest such noble institutions of any sentiment. I know it is difficult. I know our hearts yearn for those helpless ones whom Providence has put in the public care. But actually,—would there be orphan asylums except for pauper orphans, if the virtue of life insurance were universal? Would the mother, whom her husband has endowed with a competent share of his energy, by means of an annuity ever so

reasonable, consent to let her children go to a charity institution? Gentlemen, that question alone deserves more than passing consideration.

Life insurance, in its general tendencies, breaks the backbone out of poverty, I mean helpless poverty. Be the amount of insurance ever so small, it rarely fails in being just large enough to secure the family against want. The mother who has just a little holds out until the earning capacity of her children begins to grow, and so the equilibrium energy is restored in her family.

Go on with your good work, gentlemen. I am an earnest advocate of life insurance among the poor. The rich may need it to guard against the contingencies of a change of fortune; but the poor need it to habituate them to the virtue of economy, to compel them to the necessary setting aside of a fraction of this energy to protect them against the uncertainties of life, against the fickleness of fortune, against sickness, against the paralysis of industry, and to secure a moiety of independence to their families, who in that case, with energy at their command and habits of economy inculcated in them, will never swell the ranks of the paupers. You see then, gentlemen, that you can assist in the promotion of a great work. It may be your business, and may be, like other businesses, attended with much care and competition. Some of you may succeed and others may not, but all of you must have the satisfaction that your enterprise is virtually the most humanizing tendency of the age, the tendency to secure a reasonable independence to every industrious human being.

I am ignorant of the operations of this great apparatus called life insurance, but its tendency to me is unmistakable. It is one of those eminent factors that reduce idleness and through it crime and conspiracy. It promotes virtue, peace and industry; it stifles the low ambitions that degrade the mob. I trust that I have not been too ideal either in presenting or discussing these suggestions. Every good citizen must be interested in the happiness of society and in the means by which such happiness can be reached. If the humanizing influence of the age itself tends towards giving us new visions of a better man, a purer society, a greater commonwealth, one who seeks for the means to encompass the greatest danger to such progression, the danger of the proletariat, cannot be deemed too ideal or too romantic. And I do seek for such means. Whether I am right or wrong, you cannot

have mistaken my ambition. To assist in bringing our commonwealth to higher flights of prosperity, to assist in the elevation of the nation's manhood and in the avoiding of such constitutional mistakes as caused the decline of older nations, that, merely, is worthy the effort of any good man. And you, gentlemen, have such a mission within your reach, for life insurance is a noble work.

Hartford Life Insurance Co.

This company, formerly the Hartford Life & Annuity, has just undergone an examination by the Connecticut insurance department. The result is not altogether flattering.

The Hartford Life began business in 1867 as a stock company. In 1880 it opened a co-operative or assessment branch. One of its assessment policyholders in Oakland, Cal., about 1883, was obliged to accept \$600 in full on a \$10,000 policy, his "class" not being full.

The Connecticut examiners report that "the methods of bookkeeping used by the company are not to be commended, as it is almost impossible to verify the statement made by the company." Though attention was called to the law four years ago, the managers have made no attempt to comply with the law, "and the commissioner's recommendations have been disregarded." Loans have been made contrary to law. The percentage of compromised claims has doubled under the present administration. Larger dividends have been paid some policyholders than others. The unpaid losses were found to be \$326,000, to offset which there were \$515,362 surplus funds.

We quote from Commissioner Betts' report:

"The attention of the department has been called to the company's method of compromising claims, and I find during the years 1891, 1892, and 1893 that the percentage of claims compromised was .059, and during 1894, 1895, and 1896, .111; showing that the percentage has doubled under the present administration. It became my duty to bring this matter to the attention of the board of directors, resulting in an assurance from the board that any tendency towards sharp management would be eliminated hereafter.

"The practice of reporting policies in force at the end of the year which have not been issued, while the applications were in the company's office, and postponing cancellations for an undue time is not to be commended."

THE UNITED STATES LIFE reports \$7,623,100 assets.

General Agent Clarence M. Smith.

We have at last persuaded General Agent Smith, of the Northwestern Mutual Life Ins. Co., to allow us to print in *The Coast Review* a copy of his photograph. The likeness is an excellent one, and we are pleased to be able to include it among the interesting features of our January number.

Mr. Smith became a resident of San Francisco just twelve years ago this month, and has made a remarkable success of his general agency. He has become prominently identified with various San Francisco social and fraternal associations, and has a large circle of acquaintances in the city and State.

Mr. Smith is of New England parentage of Scotch-Irish descent. He was born in Salem, Wisconsin, August 5, 1854. At the early age of 16 he began serious life as a teacher, and completed his education at the State Normal school at Oshkosh in his native State. Promotion in the teacher's ranks soon followed, and from 1877 to 1881 he was principal of the High school at Sturgeon Bay, and from 1881 to 1885 he was county and city superintendent of schools.

Meantime Mr. Smith, having an ambition in another direction, organized the insurance agency of Nelson & Smith. This was in 1880. On March 21, 1881, he wrote his first life business, which was three applications for Travelers policies. There was evidently fitness for the work and a taste that way, but it was not until a year later, in June, 1882, that Mr. Smith accepted a local agency for the Northwestern Mutual Life Insurance Company. This was the beginning of many years of successful work as a representative of the Northwestern Mutual—nearly sixteen years of work for one company exclusively.

In 1882 the firm opened a banking branch, and the firm became "The Banking House of Nelson & Smith." In 1885, in October, Mr. Smith visited California, and being most favorably impressed he returned home and sold his interest in the bank and prepared to take up his resi-

dence in California. Accepting a favorable offer from the Northwestern Mutual, he came to San Francisco in January, 1886, as the general agent of the company.

Mr. Smith is a genial gentleman, and though a very busy man he finds time to take an active interest in the affairs of various societies. He is a Knight Templar and a Shriner, and a member of the famous Bohemian Club of San Francisco, the Encinal Yacht Club, El Sueno Gun Club, etc. The San Francisco Life Underwriters' Association elected him its first secretary, and during the past year he has been its president. Mr. Smith is also a member of the standing committee of the Agents' Association of the Northwestern Mutual Life Ins. Co.

Northwestern Mutual Life in California.

During 1897 the Northwestern Mutual Life Insurance Co. wrote \$1,300,000 new business in California, under the management of General Agent Clarence M. Smith. This large sum was exceeded only in 1891, which was an extraordinarily prosperous year. All parts of the State contribute to the growing business of the general agency. There are now five districts, with a district manager in charge of each, as follows:

	District.	Counties.
S. F. McAnear	Sacramento	11
Dr. T. Nichols	Southern California	7
L. H. Nichols	Stockton	4
E. E. Thomas	San Jose	5
Clark & Bonsel	Fresno	5

The Northwestern Mutual is now a hundred-million-dollar company, as regards accumulations, with a corresponding advance in surplus. The figures for the business of the year are not yet out, but we may safely assert that gains have been made in both new business written and insurance in force. The company issues liberal, up-to-date policies, with advantageous features of their own.

THE North American Accident of Chicago is to be converted into a stock company with \$100,000 paid up.



Clarence M. Smith

General Agent

NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

Good for the Masons.

At last! The Minnesota grand lodge of Masons has formally declared that "all insurance companies" (associations) operating under Masonic titles are un-Masonic. Masons are urged to not insure with such alleged Masonic insurance concerns.

The declaration comes late. Dozens of so-called Masonic insurance associations, organized by Masons, have failed disastrously, and have certainly reflected no credit on this great order.

Sudden Death of Actuary Sheppard Homans.

The famous American actuary Sheppard Homans, was taken suddenly ill while on a street car in New York city, on January 8. He was carried to a bench in a park near by and died a few minutes later.

Mr. Homans was a native of Baltimore, and was in his 67th year. After serving the government as astronomer and an officer of the coast survey, he was appointed actuary of the Mutual Life in 1855, and remained with that company as actuary and consulting actuary until he organized the Provident Savings in 1875. He was the author of the American Experience Table of Mortality. In 1895 he resigned the presidency of the Provident Savings, but remained with the society as consulting actuary.

The Travelers Retreats from Kansas.

The superintendent of Kansas, a scurvy product of practical politics, put on his war paint and beat his tom-tom and the Travelers Ins. Co. thereupon fled the State in terror. The company had put on a bold front, and we hoped it would beat a little sense into the head of the Kansas savage; but when he said that the forthcoming Connecticut commissioner's report would be a mere white-washing affair, and that he proposed to examine the company's affairs for himself at the company's expense, the Travelers warriors turned tail and ran. We are sorry. The retreat from the State for principal's sake would have been pardonable, but the retreat to save the expenses of the examination will hardly be forgiven by either the policy-

holders or the agents of the company in Kansas.

President Batterson sounded the retreat, and wrote to the vicious superintendent of the insurance department at Topeka: "We have no confidence in you. Your power for mischief is so great, and your methods are so unusual, that we retire from the State during your term of office without a pang of regret." It is reported that the Travelers will immediately foreclose its mortgage loans in the Pop-ridden State, because of the persecution by the insurance superintendent; but this report we do not credit. The management is incapable of such spite-work.

San Francisco Life Underwriters' Annual Election.

At the annual meeting on the 14th inst. the San Francisco Life Underwriters elected officers for the ensuing year. The attendance was large and enthusiastic. Charles McLane, agency director of the New York Life, was elected president; J. M. Kilgarif, of Kilgarif & Beaver, general agents of the Pacific Mutual, was elected vice-president; G. M. Stolp, general agent of the National Life, was elected secretary; and the following executive committee was chosen: John Landers, of the Manhattan Life; H. K. Field, of the New England Mutual Life; and Fred H. Beaver, of the Pacific Mutual Life.

THE PALM AND THE MUSHROOM.—A stately Palm Tree once grew near to the borders of a desert. Being the first tree to cast a grateful shade it attained great popularity, and was soon surrounded by grass and travelers.

Before long an ambitious Fungus that looked like a Mushroom appeared.

"You are not the only Calendar," it said to the Palm, "even if you do have dates. Just keep an eye open on this side and you'll see me play the shady role."

Presently there came a Weary Wanderer, who was beguiled by the soft blond tints of the Mushroom. He never even raised his eyes to the fruit of the lofty Palm, but ate of the fungus that had grown in a night and forthwith went his way.

Before he reached home he was ill. He was buried the Friday following.

Moral—Put not your trust in the toadstool growth of a few hours.—*The Weekly Statement.*

Table Showing California Life Business for the Year 1897.

NAME.	LOCATION.	Present Agents.	New Policies Written.			Policies Renewed.			Policies in Force December 31, 1897.		Losses and Endowments Paid.
			No.	Amount.	Premium	No.	Amount.	Premium.	No.	Amount.	
*Pacific Mutual	San Francisco	Kilgarif & Beaver .	603	\$1,250,124	\$49,467	2,546	\$6,200,979	\$251,806	3,199	\$7,756,068	\$104,483
Ethna Life	Hartford	H. B. Houghton . .	119	301,000	10,582	633	1,581,677	55,443	952	2,001,915	60,910
Connecticut Mutual	Hartford	A. K. P. Harmon, Jr.	302	549,500	16,158	1,398	3,657,400	128,512	1,981	4,921,753	112,011
Equitable Life	New York	A. M. Shields . . .	1612	4,561,210	187,925	3,615	12,281,402	480,610	6,243	18,447,796	186,631
Germania Life	New York	W. A. Jacobs . . .	297	502,500	18,036	666	2,129,800	84,586	1,197	3,357,490	27,326
Home Life	New York	W. H. Dupuy . . .	195	376,470	13,984	513	1,417,500	55,304	773	1,795,616	34,000
Manhattan Life	New York	John Landers . . .	160	369,250	14,179	973	2,987,295	110,522	1,286	3,470,281	68,055
Massachusetts Mutual . . .	Springfield	C. M. T. Parker . .	92	159,000	6,376	299	633,000	22,572	391	792,000	7,434
Mutual Benefit	Newark	James Munsell, Jr.	211	607,650	30,357	923	3,350,952	130,802	1,248	4,231,819	60,660
Mutual Life	New York	A. B. Forbes & Son .	990	2,647,728	122,019	6,041	20,218,100	856,834	8,708	26,533,244	644,859
National Life	Montpelier	G. M. Stolp	224	448,000	15,717	726	1,674,000	62,760	950	2,122,000	3,500
New England Mutual	Boston	H. K. Field	478	926,500	37,064	1,871	4,804,500	189,343	2,837	6,382,367	133,735
New York Life	New York	Charles A. McLane	1365	3,075,510	111,352	3,980	15,440,244	535,169	6,123	20,014,580	327,484
Northwestern Mutual	Milwaukee	Clarence M. Smith	490	1,151,150	\$6,354	1,904	5,420,000	201,513	2,704	7,055,000	119,613
Penn	Philadelphia	E. H. Hart	359	1,102,700	33,207	944	2,821,000	102,165	1,303	3,923,700	26,917
Phoenix Mutual	Hartford	James S. Osborne .	82	159,000	5,571	103	167,737	4,101	186	336,737	10,578
Provident Savings	New York	Geo. L. North . . .	176	579,165	15,497	573	1,548,983	32,818	683	1,890,093	26,655
Travelers	Hartford	W. W. Haskell . . .	151	345,500	12,041	423	1,135,770	36,062	595	1,546,651	10,188
Union Central	Cincinnati	Geo. C. Pratt . . .	171	446,371	25,396	341	739,283	28,217	512	1,185,654	21,389
Union Mutual	Portland, Me	W. C. Leavitt . . .	514	815,784	28,340	739	1,377,546	51,168	1,411	2,534,798	65,814
Washington	New York	James B. Day . . .	86	206,500	5,167	188	493,560	17,280	344	708,948	16,733
Totals for 1897			8677	\$20,580,612	\$814,780	29,309	\$90,170,728	\$3,437,677	43,626	\$1,211,008,540	\$2,068,975
Totals for 1896			7531	17,274,667	617,172	28,437	90,114,587	3,384,383	41,086	116,772,581	2,102,355
Totals for 1895			7648	19,485,730	731,981	26,465	87,549,615	3,325,482	37,576	113,751,090	1,972,395
Totals for 1894			7740	22,683,175	830,325	26,144	84,721,263	3,255,982	37,184	113,602,916	1,943,243
Totals for 1893			7821	24,431,514	993,318	23,249	83,324,914	3,261,835	34,503	112,802,366	2,093,826

* Life business only; does not include industrial insurance.

Life Insurance Clearing Company Impaired.

The St. Paul company which insures impaired lives, the Clearing Company, emerges from an official examination with an impairment of \$67,000. Whether the stockholders will pay up or wind up is not yet announced. President Scott and Secretary Strait have resigned.

The Union Mutual Life's Chicago Property.

The ten-acre tract in Chicago, secured by the Union Mutual Life Ins. Co. by foreclosure of a mortgage on the old Chicago University property, is to be improved on a grand scale. The company's plan provides for the erection of eighty-three handsome brick and stone residences at a total cost of \$700,000. These dwellings will be sold at from \$8,000 to \$15,000 on time payments. Only the cost of the building and the price of the lot will be charged. Six Chicago architects are at work on the plans.

Zanoli's Crimes.

Charles Zanoli, a German barber in New York, is accused of murdering four wives, a mother-in-law, a sister and an employe. Exhumed bodies show traces of poison. The several dead persons were insured in industrial companies, and Zanoli was the beneficiary. The "yellow journals," hopeless of a fat insurance ad, are making the alleged murders a text for editorials denouncing industrial insurance. They will denounce religion next, because the devil steals its livery.

The Ging Murder Claim.

Several years ago Catherine Ging was murdered by her affianced, who was afterward hanged. The murderer had insured the young woman's life in his favor. Suit was subsequently brought unsuccessfully by his father. Julia Ging, administratrix of the murdered woman, also brought suit against the Travelers for \$5,000, and last week a jury returned a verdict for the defendant. The court instructed the jury that the company was not liable under the policy if they found that the insured was intentionally injured by another.

Death of Manager Mulford of Portland.

Manager Stiles E. Mulford, of the Manhattan Life Insurance Company's Northwest Pacific department, with headquarters in Portland, Or., died suddenly on the morning of January 9, from apoplexy. Mr. Mulford was an aggressive and skillful solicitor. Several years ago he was a member of the firm of Van Nuxene & Co., general agents of the

New York Life for Pennsylvania and several Western States. Mr. Mulford's department had its headquarters at Cleveland, O. In the Pacific Northwest he built up a large and prosperous business for the Manhattan Life, and it will be difficult to fill his place. The deceased was only 41 years old. He was stricken at the breakfast table on the morning of January 8, and passed away on the following morning.

Ministerial Life Ins. Co. of Los Angeles.

On the cover of the Southern California Methodist conference minutes is a page advertisement of the so-called Ministerial Life Insurance Co., of Los Angeles. The names of seventy-three clergymen appear as endorsing this assessment association, and "many other names are omitted for lack of space."

A correspondent interviewed several of the prominent ministers of Los Angeles, and they all expressed themselves as opposed to such endorsements and the advertisement thereof, because "the cloth" is thereby placed in a discreditable light. The readiness with which the clergymen signed a fulsome endorsement of this quack insurance scheme is disgraceful.

The unqualified endorsement signed by these preachers, who know nothing of life insurance principles and are ignorant of the failure of 1,500 and more similar life insurance schemes, is as follows:

"To Whom It May Concern: We believe that the Ministerial Life Ins. Co. of Los Angeles, by reason of its plan, management and purpose, offers *the safest and best* life insurance that can be found *anywhere*, and we feel that we can not too highly commend it to the insuring public. Having thoroughly investigated this company, we have taken insurance in it ourselves."

Think of it! A "company" operated on the assessment plan, with nominal assets, with unsecured officials who are strangers from a far-off State, resorting to clap-trap methods to secure business, and making false pretenses generally, has no trouble to obtain the extravagant, unqualified endorsement of numerous clergymen. They unblushingly put their names to the manifestly false assertion that this new, frail, coinless experiment in assessment life insurance offers the "safest and best" insurance in the world—safer than old time-tried institutions operating on a scientific and tested basis and backed by millions of dollars. These ministers say that the Ministerial sand-robe is "safest and best" because of its empirical "plan" and untried "management."

When the name of an actor or clergyman is advertised as endorsing some quack medicine, men wonder how much the advertiser paid for the use of the actor's or parson's name attached to a puff written by the advertiser. So we may well wonder what concession has the quack Ministerial Life made to the clergymen who are so shameless as to sign their names to this fulsome endorsement of a weakling.

The Union Central Does well.

Last year the Union Central Life increased its new business over \$5,000,000 more than the amount written in the previous year. While insurance in force gained \$9,000,000 in 1896, in 1897 it gained \$12,000,000. The assets increased \$2,500,000. The company closed the year 1897 with \$34,760,000 new business issued. The assets are now \$18,500,000. Well done! Geo. C. Pratt is now the manager for the Union Central in this field.

A San Francisco Bank Insures Its Employees in the Pacific Mutual.

The Crocker-Woolworth National Bank of San Francisco made an extraordinary holiday present to each of its employes, by insuring their lives. The amount in each case was \$5,000, and the bank undertakes to pay the premium as long as the clerk remains in its employ. The company selected was the Pacific Mutual Life Insurance Company of California. The novel transaction is a credit to the company as well as to the bank.

Banks generally are liberal with their presents to employes in the holiday, recognizing in substantial fashion their loyal services for the year; but this presentation of life insurance, guaranteeing the payment of a large sum in case of death while in the service of the bank, is the most valuable testimonial of the kind yet recorded. We are under the impression that this wholesale gift of life insurance by a bank is the first of its kind, and we are sure that the payment of subsequent premiums on gift policies was never before undertaken by any bank or other corporation.

The generous example of the Crocker-Woolworth National Bank may be ex-

pected to have followers, for it must commend itself to fiduciary concerns especially as a good investment as well as a graceful recognition of good and honest service. The policy, paid for by the employer, is a perpetual reminder to the clerk that as long as he continues in his present service his family will be paid a handsome sum at his death.

Independent Order of Foresters.

Supreme Chief Ranger Oronhyatekha of Independent Order of Foresters, of Toronto, Canada, writes us a letter relating some strictures on the order which have recently appeared in *The Coast Review*. Pressure on our space has forced us, so far, to forego the pleasure and justice of printing the chief's somewhat long criticism. His reference to the *Insurance & Financial Gazette*, of Belfast, Ireland, and its circulation, seem entirely gratuitous. If the chief has not been informed of the libelous circular reflecting on a life company, issued by officials of his order in this State, he may be excused from wondering what has provoked *The Coast Review* to make an assault on his order. There are similar orders which are always ignored; but the Foresters entered the ring and invited a stroke from bare knuckles.

Our correspondent says: "Our membership is high class in every sense." This may be true of the membership as a whole, but there is certainly a fraction in California, responsible for the circular referred to, who are not first class. We are interested by the following: "We have a court or lodge in Los Angeles which numbers over 600 members, and another which numbers nearly 300." And we must not fail to put the chief on record as saying—

"I am sure I represent the sentiments of the great majority of these my brother Foresters when I say that they, with me, recognize the hand of Providence in our history, and that they with me feel grateful to the Supreme Ruler of the Universe for the many favors vouchsafed to us in our work, and that we are glad, from time to time, to have the opportunity unitedly to return thanks for these and all other mercies we receive at His hands; and if in the doing of this we lose the confidence of any man, we may pity such a man, but we shall continue to trust in Providence and keep our powder dry."

This is serious talk but not wholly unamusing, for our Indian chief's trust, as he

admits, is not strong enough to include wet powder. Is the order's "powder dry"? That's the question. If the rates are insufficient, if there are excessive liabilities under the contracts prior to reorganization, as we believe, the order's powder is very wet indeed, and "trust in Providence," as we may assert without irreverence, will not suffice to arrest the law of mortality.

Variations in the Rates of Fraternal.

"There should be but one rate of assessment for all fraternal beneficiary societies." This is the cry of a speaker at a Fraternal Congress. Probably his particular society or association is suffering from the competition of a younger rival. We quote him:

"While we have the startling spectacle of wide variations in the fraternities, each one being 'A law unto themselves,' in some instances, the assessment at a given age being double that of the other. Many of us belong to half a dozen of these societies. The majority of the membership of which our orders are composed belong to two or more. When a member dies in one, he dies in all to which he belongs. The money paid to the beneficiary consists of dollars. In each case they are of equal value whether paid out by this society or that one. Yet the one received only half as much from the deceased member as the other one did.

"Here is a deficit that will have to be made whole at some time by some person or persons, the burden of which falls on the future members, but the time comes when the making of repeated deficiencies good becomes too great a burden to bear and one by one the bearers of the burden relieve themselves by sliding out from beneath the burden and taking up one which, for the time being, seems lighter, leaving those who are from physical infirmities or age to carry this burden which grows with the succeeding years only to be crushed in the end by its ever increasing weight.

"This rate should be that which experience has taught us would be sufficient. Take either the Actuaries Table or the American Experience Table and divide them into monthly, bi-monthly or quarterly payments and you have your starting point.

"The juggling of figures or tables, the playing upon the ignorance of the people with this or that table of rates, does not change the real facts we have to deal with—the death rate. The fraternities should get together on this matter of rates, there should be an adjustment of matters among ourselves; fail-

ing to do this the time will come when we will be forced to do so by the laws of the States; or by the criticism coming from former members who have been forced to lapse owing to the frequency of the calls or by the order ceasing to do business.

"The cry of the orphan and the widow will not always go unheard, someone will take up their cause and, when this is once done, the legislative enactments will follow in State after State."

At last, the views of the legitimate insurance press are being adopted by the sensible fraction engaged in assessment life insurance.

Accident Paragraphs.

The Frankfort is to write burglary business at home.

Stock of the Fidelity & Casualty Company recently sold at \$350.

THERE WERE over 10,000 accidental deaths in the United States in 1897.

THE Underwriters Accident Association of Des Moines has had its office furniture attached for debt.

THE Continental Casualty of Cincinnati is a new \$100,000 capitalized enterprise, designed to write six kinds of risks.

THE National Registry has made a deal with the Fidelity and Casualty, the latter insuring the registry-holders against accidents.

THE Atlas Accident of Boston, against which *The Coast Review* recently warned the public, has gone out of business. The New England Mutual Accident took over its business.

NICKEL-IN-THE-SLOT accident insurance at Atlantic bathing resorts is the latest scheme. The associated bath-house-keepers guarantee \$1,000 in the event of accidental drowning, the bathers to pay five cents each and the bath-housers to keep the "enormous profits." Here may be another chance for a McNall raider.

A PRESS DISPATCH FROM Vancouver, B. C., says: A case of great interest to insurance men and intending Klondikers will shortly be tried here. Ex-Mayor Cope, before leaving for the Yukon, insured his life for \$5,000 in the London Accident & Guarantee. He met death by drowning on the Skagway trail, and, although affidavits were presented by eyewitnesses, the company refused to pay the money to the widow.

AGENTS of the Preferred Accident Insurance Company gave a fine gold hunting case Swiss repeating watch, with gold chain and diamond ornamented charm, to Wilfrid C. Potter, superintendent of agencies, as a Christmas present.

THE Odd Fellows Accident company of Boston has lately changed its title to that of the Brotherhood Accident Company (for Odd Fellows only). This change has been contemplated for some time, and has been made in consequence of the action taken by the supreme lodge of the order withdrawing from all organizations the privilege of using the name of the order.—*Accident Assurance.*

Life Paragraphs.

THE Catholic Knights of America is in the hands of a receiver.

THE Western Mutual Life of Chicago, assessment, is sailing under false colors.

CLAMORING claimants of the Masonic Mutual Benefit of Indiana ask for the appointment of a receiver.

THE insurance branch of the I. O. of Red Men in New Jersey failed and left a number of unpaid death claims. Moral: beware of fraternal life insurance.

THE Western Mutual Life Association of Chicago has the appearance of being a gold brick swindle. It issues a special contract to a favored few, and thus violates a fundamental principle of "mutual" insurance.

THE Order of Maccabees indicted a member at Kansas City and so severely injured him in the ceremonies of initiation that he sued the order for \$10,000 damages. This amount has been awarded by a jury of his peers.

THE *Insurance Magazine* says: General Agent Smutzer of the New England Mutual Life, at Denver, is the organizer of Colorado's greatest advertising medium, namely, the "Slaves of the Silver Serpent." This organization is responsible for the unusually successful fall carnivals given by Denver every year.

THE Travelers and the Mutual Life have withdrawn from Kansas. The Connecticut Mutual Life ceased to do business in the State when Sand-bagger McNall refused it a license because it would not pay the fraudulent Hillmon claim. The New York Life, in accordance with the decision of the Federal courts, has ignored the insurance department and gone right along doing business at the old stand.

THE Provident Savings gained \$7,000,000 in force last year.

THE New Mutual Life wrote some \$13,000,000 new business last year, a gain of \$4,000,000.

THE Royal Benefit Society of New York city has only \$79 assets and owes \$10,577 for death claims.

AN Australian life office, the National Mutual, has bearded the British lion in his den, and is already doing a good business in Lunn'n town.

THE meanest man in the world has been found. He is a Canadian who sues for the recovery of \$211 premiums paid for insurance on his life, by his wife without his consent.

McNALL and Leedy of Kansas hope to make the insurance companies pay the expenses of the coming campaign for free deviltry. Four life offices refuse to be bled by bleeding Kansas.

THE grand larceny charge against O. N. Lumbert stuck and he was sentenced to three years in a New York penitentiary. Lumbert has been connected with old folks and industrial life swindles.

THE American Union Life did not pass through the ordeal of an official examination altogether with credit. The assets were found to be considerably less than claimed, the examiner throwing out many items.

FRAKER the fraud counted wisely on the sympathy of Missouri justices, juries and jacks to keep him out of jail. In Kansas and Missouri, along the line, are the lands of Border Ruffians. Fraker and McNall are chiefs of the clans.

ONE of our life insurance companies gives the following example of a policy on a Sacramento man, who was insured for thirty years: Original insurance, \$10,000; dividend additions, \$8,560; amount paid, \$18,560. Premiums paid, \$5,502; profit to estate over cost, \$13,058.

IN accordance with a Federal decision the New York Life has ignored the scheming Kansas superintendent and gone ahead writing policies on the lives of Kansans who don't care a rap for him. The company's tender of fees was refused. The rebel official still says he doesn't care for the United States courts, and he asks the county attorneys to prosecute the company's agents.

FIRE.

Manhattan Fire Reinsures.

The Mutual Fire transformed itself into the Manhattan Fire, and now as the curtain descends on the transformation scene the giant Union Assurance of London swallows the Manhattan at one gulp.

Utah Notes.

A. L. Jacobs & Co. have been appointed State agents of the Guarantors Finance Co. by Manager Donnell.

Frank M. Avery and wife are visiting Utah points. Frank spends much of his time in Montana and Utah looking after the agencies of the Fire Association.

T. R. Jones, one of the leading bankers of Salt Lake City, who also represents several insurance companies, visited San Francisco the latter part of December.

Special Agent H. M. Green spent several days of December in Salt Lake, looking after the interests of the several companies represented by Manager Geo. H. Tyson.

Special Mathews, during a recent visit, removed the agency of the Imperial from Rogers, Little & Co., and continues the company with Messrs. Smedley & Co. as sole agents for Salt Lake City.

Special Agent Geo. H. Mendell, Jr., has fitted up a very neat office in the Commercial Block in Salt Lake, and is "at home" to the visiting locals. Harry has gone to California for the holidays.

Special Agent Guy Francis spent several days in Salt Lake, looking after the Connecticut agencies. Before departing he removed the agency of the company from Miss Margaret Wagner, and now has a single agency with Messrs. Harris & Wilson.

Special Agent J. E. Hendry spent a few hours in Salt Lake, on his way to San Francisco to spend the holidays. As he is now a fixture in Chicago, helping Jack Marshall plant the Royal Exchange, he is not as frequent in his visits as he was in former times.

Manager Geo. D. Dornin spent a few hours in Salt Lake on his way to Denver. We hear that no effort has been made to discontinue either of the two agencies of Manager Dornin's companies. He is one of the few managers now having two agents in Salt Lake. It is to be hoped he will find it advantageous to fall into line.

D. B. Wilson was a visitor in Salt Lake for a few hours, having run down from Ogden, where he was engaged adjusting the Payne & Hurst dry goods stock loss. Mr. Wilson's many friends congratulate Manager Watt on having secured so competent and versatile a gentleman for the position of general adjuster for his companies.

The Phoenix of Hartford has made another change. As A. L. Jacobs & Co. decided not to represent this company, it has been given to A. A. Robertson & Co. Mr. Robertson is paying teller in Wells, Fargo & Co.'s Bank of Salt Lake City, and is also said to be the company of W. S. Ferris & Co., who represent Manager Geo. D. Dornin's two companies.

Colorado Cullings.

Special Agent W. C. Cree is visiting Salt Lake and other western agencies of the Manhattan *nee* Mutual Fire of New York.

G. B. Armitage, for several years State agent for Colorado of the Spring Garden Insurance Company, died suddenly in Denver on the 16th of December of hemorrhage. Mr. Armitage was for a number of years secretary of the Spring Garden, but was a sufferer from consumption, and moved to Colorado for his health.

Mr. Frank A. Thompson has retired from the firm of Thompson & Benedict and is succeeded by Mr. Chas. R. Gill, at one time clerking for this firm. Mr. Gill is a nephew of the wife of Mr. D. H. Moffatt, president of the First National Bank of Denver, who has for years been quite extensively interested in the Thompson & Benedict agency. Mr. Gill purchases a two-thirds interest in the agency, and Mr. Benedict retains one-third, under the firm name of Benedict & Gill. All the companies in this agency are retained with the exception of the Imperial, which was resigned, and has been transferred to the Brannen & Kellogg agency. Miss Higginson, who has been a member of the firm and chief clerk for Thompson & Benedict for years, and was connected with this agency when Anthony Sweeney was in his prime, is not retained by the new firm, but also goes to Messrs. Brannen & Kellogg.

The *Insurance Press* got out a breezy holiday number, devoted to tornadoes, X rays and insurance things general and particular. Among the interesting contributions is one by John Landers of San Francisco, on pioneer life insurance work in California.

Manager Edward Hall.

A new department has been created by United States Manager Robert Dickson of the Royal Exchange Assurance. Oregon, Washington, Idaho and Montana have been included in the new Northwest department, with Portland as headquarters. Edward Hall, for the past five years the company's head special agent in this northern field, has been appointed manager of the Northwest department. The appointment is recognized by all as most fitting, rewarding a loyal and experienced man, and giving the company every reasonable assurance of the successful issue of the new departure.

Mr. Hall requires no introduction to Pacific Coast underwriters. He is well known as a successful general agent, manager and special. Under his management as secretary the Oregon Fire & Marine Insurance Company of Portland paid the stockholders handsome dividends and a considerable bonus on the winding up of its affairs. Only the retaliatory laws which required a deposit of \$50,000 as in Oregon prevented the company from extending its business to other States and becoming a permanent institution.

Edward Hall was born in Baltimore, Md., in September, 1847. In the winter of 1869 he came to California. Soon thereafter he went to Portland, Or., where he has ever since resided. He began his insurance career with the Pacific of San Francisco. The Chicago fire of 1871 broke the Pacific, and Mr. Hall became State or general agent for the Fireman's Fund and the North British & Mercantile. In 1878 the then well known firm of Corbitt & Macleay, representing the Imperial, London, Northern and Queen, appointed him manager. Four years later the Oregon F. & M. was organized and Mr. Hall became its secretary and manager. This position he retained until the company retired in 1892. Since this time he has represented Manager Robert Dickson as special agent for the Northwest.

Mr. Hall assumes the duties of his new position under favorable auspices and with the cordial good wishes of a large circle of friends and acquaintances. He unites the experiences of both manager and special, and is in close and friendly touch with the local agents of the flourishing territory comprising his department. The Royal Exchange Assurance is an old and popular institution. All the conditions are therefore favorable for the success of the new Northwest department.

We print an excellent likeness of Manager Hall with this number.

American Insurance Company of Boston Enters California.

Manager Hosmer of the Western department of the American Insurance Company of Boston visited San Francisco last month and established a general agency for his company in San Francisco. The American has been duly admitted to California, and will transact business in this field under the management of Baggs & Stovel, with office at 213 Sansome street. That Manager Hosmer made a good selection when he appointed Baggs & Stovel is the unanimous verdict of The Street.

Montgomery Baggs has been engaged in fire and marine insurance in San Francisco during the past eleven years. C. J. Stovel has been engaged in the insurance business in San Francisco during the past seven years. Both members of the new firm are successful business men and are known as hustlers of the best type.

The American of Boston is one of the oldest fire offices in the United States, having been organized as early in the century as 1818. It successfully emerged from the great Boston fire of 1871 with a small net surplus, thanks to its conservative management. The last statement showed the possession of a substantial net surplus of \$103,154 over all liabilities and its \$300,000 capital paid up. Considerably over two-thirds of the American's assets are surplus as regards policyholders. The company makes a strong showing in this respect.



EDWARD HALL,
Manager Northwest Department
ROYAL EXCHANGE ASSURANCE,
Portland, Oregon



Banquet to United States Manager Robert Dickson.

The fire underwriters of San Francisco tendered Manager Robert Dickson of the Royal Exchange a farewell dinner, on the evening of January 12. Between fifty and sixty managers, general agents and assistants were present. The only guests were Mr. Dickson, Rev. Dr. McKenzie, Colin M. Boyd, fire commissioner, and Dennis Sullivan, chief of the fire department. All who were present on this happy occasion, many of whom have attended underwriters' dinners every year, agree that this banquet was not only a brilliant success, but eclipsed every former event of the kind.

Manager Dickson is an old resident of San Francisco, and for the past twenty-six years has been identified with Pacific Coast fire underwriting. His change of residence from San Francisco to New York, where the United States branch of the Royal Exchange will hereafter have its headquarters, is a loss to Coast underwriting, but as one of the speakers at the dinner said, it is a loss modified by the fact that the interests of this field will now have in New York, as they have in Chicago, a well informed champion, whose knowledge cannot fail to exert a favorable influence in all counsels touching the fire underwriting affairs of the Pacific West.

Mr. Dickson began his underwriting career as a clerk in the office of Cross & Co., representing the London Assurance in San Francisco in 1872. Later he became associate manager with Wm. Lane Booker, then manager of the Coast department of the Imperial, London & Northern. After Mr. Dickson succeeded Mr. Booker as manager, in 1882, the Connecticut was added. Other changes followed and then came the Royal Exchange, with an appointment for Mr. Dickson as United States manager. With the resolution to extend the business of the company to the East, a change in headquarters from San Francisco to New York was inevitable. Manager Dickson will be greatly missed by San Francisco underwriters. For the past twenty years

he has been a member of the fire and water committee, and has always been a conservative influence in underwriting affairs.

Chas. D. Haven presided at the banquet with characteristic dignity and felicity of speech. The prevailing spirit being one of good fellowship and cordial wishes for the success of the guest of the evening, many of the banqueters surprised themselves as well as their hearers with appropriate remarks, witty speeches and good stories. Speeches were made by George D. Dornin, Wm. J. Dutton, Attorney Coogan, Geo. W. Spencer, George Grant, Ben. Smith, L. B. Edwards, Rolla V. Watt, Geo. E. Butler and others. Whitney Palache sang solos, and W. S. Du Val and Leslie Wright read rhymes. Altogether, as "the boys" say, the dinner was a great "send-off" for the departing manager, whose personal gain in this change is recognized as so real a loss to San Francisco underwriting.

The menu at this memorable banquet is of passing interest, and we therefore reproduce it, as follows:

MENU.

Huitres de l'Est sur Coquille.
 Consomme d'Orleans
 Celeri Radis Olives Canapes d'Anchois
 Amandes Salees
 Grenadins de Bass Rayee Commodore
 Selle de Mouton, aux Flageolets
 Croustade de Grenouilles au Senateur
 Asperges a l'Hollandaise
 Escalopes de Ris de Veau, Rossini
 Punch, Parfait Amour
 Canards Canvasback Salade Waldorf
 Mais Frit Gelee de Groseille
 Haricots Verts Francais, Maitre d'Hotel
 Glace de Fruits Assortis sur Feuilles
 Petits Fours et Marrons Glaces
 Dessert Cafe

Vins:

Sauterne—Haut Sauterne Claret—Chateau
 Lafitte Champagnes—Moet & Chandon
 Mumm's Extra Dry, Pommery.

The committee of arrangements, Messrs. Haven, Butler, Callingham and Watt, deserve a special vote of thanks for their excellent taste and good judgment. They

helped materially to make the affair a faultless success. The floral decorations were especially attractive. The poetic effusions of Messrs. Wright and Du Val were as follows:

LINES TO ROBERT DICKSON ON HIS DEPARTURE
FOR NEW YORK.

By W. S. DuVal.

The heather in its native bed,
The bluebell on old Scotia's mead;
The throstle in the Ayrshire hedge,
All call, and homeward lead.

But, neighbor, why, when weaned so long
From bonnie Scotland's hill and glen,
Forsake Sierra's sun-lit slopes
And wing your flight again?

Have not our western hills and dales
Proved kind these many years?
Have not Pacific breezes blown
To you more joy than tears?

Here are your comrades, neighbors, friends;
Here clustering round your home
Wife, childrer, memories, peace, success;
What need to farther roam?

Alas! for us, the bugle call
Of duty, borne on eastern breeze,
Warns you to fertile fields afar,
Beside Atlantic seas.

We yield you to your newer friends,
But hold you in a lingering grasp
To say God speed you on your way,
While yet your hand we clasp.

Comrade, good bye; we know you true
To manhood's highest mark.
Trust us to keep you near and dear,
Be future light or dark.

And now once more to you, God speed,
For you and us as well.
One little word remains to say—
That saddest word, Farewell!

By LESLIE WRIGHT.

Dickson—good Scotch—a great Scot!
Has gone up a notch! Why not?
Surely no man deserves it more!
And *his* going only makes us soar
To dizzy height,
With hopes *we'll* light
On something just as good.

A "Royal Exchange" from West to East!
To the East's advantage: that's why we feast!
We feast to cheer the goer on his way,
We drink to drown our sorrows—yet stay!
Would't be treason
If our reason
Were to change his mind, if we could?

But go ahead, fill up the bowl
And drink to him! Why, bless my soul,
So long as he has got to go

This is the feeling we *should* show.
So fill to the brim
And drink to him.
And don't be "wooden" men.

But, sir, we're sad to see you leave.
That you'll succeed we *all* believe,
And have a full abiding hope
That we'll not need a telescope,
But see you *here*
In frequent cheer
With these same "stags" in their glen.

Insurance Base Ball League of San Francisco.

A base ball league to be known as the Fire and Marine Associated Clerks has been permanently organized and counts among its members the following representative offices: Fireman's Fund, Commercial Union and Alliance, Home and Phoenix, Palatine, Lion and Imperial, Pennsylvania, National and Springfield.

The boys are taking a lively interest in the league and are most heartily supported by the managers and heads of the offices. A schedule of games has been arranged, the first to take place on the 29th of this month.

The league is to be conducted according to the prevailing National League Base Ball rules. Following is the personnel of the before mentioned clubs:

Commercial Union and Alliance—W. Belding, L. B. Smith, R. L. Wagner, D. R. Atkinson, H. Pinkham, D. Wren, E. Dougherty, E. Ströcker, F. A. M. West, and L. W. Harris, captain.

Fireman's Fund—L. E. Ensign, W. Cooney, A. M. McDonald, A. Follansbee, A. E. Webber, R. C. Delamater, H. P. Blanchard, H. H. Price, E. W. Spaulding, H. Swails, F. & S. Simmen, F. Smith, P. H. Ruddock, F. P. Butler, captain.

National and Springfield—B. Collins, H. Rotherman, Manager L. Chase, H. Ahpel, W. Hogard, J. Hogard, F. Templeton, J. Stealey, H. Krug, R. Marsh, G. Walsh.

Palatine—E. J. Deasy, S. W. Lowe, D. B. Torres, G. W. Swan, captain, T. W. Cushing, manager, J. L. Martin, W. S. Wells, H. C. Rogers, H. T. Fennel, M. F. O'Brien, J. H. Peterson.

Home and Phoenix—F. L. Lange, J. F. Boylan, H. Chase, R. D. Childs, J. G. Cadman, L. F. Herrick, J. J. Sheahan, C. Quitzow, captain, E. H. Ziska, E. L. Pettis, P. F. Gilroy, E. P. Spengler.

Lion and Imperial—G. Hind, J. Anderson, J. A. Goodwin, F. Hosmer, captain, E. Parrish, G. Axley, J. N. Block, J. W. Ralph, J. M. Mendell, J. McGilvray.

Pennsylvania—W. H. Hall, A. Faw, L. Gately, F. Morton, W. Bush, M. Owen, V. H. Quitzow, captain, R. Swales, H. Hawhurst, W. Hammons.

The clubs are all to play in uniforms, and the games are expected to be highly exciting, as friendly rivalry is running high. The managers and office forces are expected to show their appreciation of the National game by turning out in full force.

More Letters from the California Insurance Department.

We undertook, some time ago, to reprint the various letters from the California insurance department, addressed to general agents; but our spare type was neither plentiful nor small enough to keep up with the output, and so the undertaking was abandoned. Hereafter, only a brief record will be made of such curious official effusions. We are indisposed to advertise anybody or anything gratuitously.

Some years ago a law was passed by the California legislature, or rather by the San Francisco bosses, called the firemen's relief fund act. It required all non-resident companies to pay a tax of one per cent. of their premium receipts in fire protected towns. The amount which this law would have produced for the proposed fund is not known, of course, there being no statistics of such premium receipts; but when the act was passed the amount was estimated at \$35,000. The disposition of this so-called relief fund was left with the various fire department authorities. The firemen were eligible for relief after specified years of service, regardless of whether the disability was contracted in or out of the service. The reader will see that this act could easily cover a design to reward faithful political henchmen.

The non-resident companies did not and do not object to paying any fair general tax, but they did and do object to paying a special tax, especially one which assumes a right to tax them for the support of fire departments and decrepit firemen. This support is the duty of taxpayers generally. Able counsel said that the law was unconstitutional, and a test

case was carried to the supreme court. The result sustained the opinion of the counsel. The court held that the law was unconstitutional, and the bosses' rake-in scheme fell to the ground. The *Coast Review's* review of this case is reprinted elsewhere.

This was twelve years ago. At this late day, the insurance department, in new hands as the result of the whirligig of politics, sets itself up against the supreme court of the State, declares the law constitutional, and demands, from the foreign companies only, back taxes under an unconstitutional law. As the tax under this law has never been paid by any company, it is ground for wonder and the usual comment, that the demand for back taxes should not have included American non-resident companies also.

Under the retaliatory law of the State (also pronounced unconstitutional by able counsel), a number of American companies have paid a similar tax, as imposed on non-residents by their own States. If the relief fund law had been pronounced constitutional, they would have been exempted from this retaliatory tax, and the amounts they have paid to the State treasury for the benefit of all tax-payers would have inured exclusively to the benefit of disabled firemen.

The foreign companies, of whom this peremptory and illegal demand has been made by the California insurance department for something like a quarter of a million alleged back taxes under a law judicially declared unconstitutional, have been graciously given until February 1st to raise the money, under the usual dire penalties.

—More of the curious risks offered at Lloyd's have been unearthed by a contemporary. Quotations have been asked for the insurance of a herd of working elephants in the East, to cover a period of twelve months. Mares and foals are insured for the foaling period and for a month after. The voice of a prima donna has been insured. For a number of years Lloyd's have insured a tradesman against the risk of a possible fall of a monument near his shop. Indeed an energetic broker has declared that he can cover sixty different cou-

tingencies, apart from fire and marine risks, by insurance at Lloyd's.—Manchester Policyholder.

The Fireman's Fund's Thirty-Fifth Annual Statement.

VERY LARGE GAINS IN ASSETS, NET SURPLUS AND PREMIUMS—A PROSPEROUS YEAR.

The thirty-fifth annual exhibit of the Fireman's Fund Insurance Company, of San Francisco, which the reader will find elsewhere printed in detail, shows a prosperity never before exceeded. Business increased and losses were less; while premiums increased \$119,000, losses were nearly \$7,000 less. The ratio of losses to premiums, always moderate, was only 52 per cent.; and the expense ratio was reduced.

The assets of the Fireman's Fund are now \$3,738,300, a gain of \$210,647 in the year. The reinsurance reserve is \$1,232,756, a gain of \$16,768. The net surplus is \$1,257,049, a gain of \$152,323. The policyholders' surplus is \$2,257,049—over two and a quarter millions, constituting splendid security by a company which paid all Chicago Fire losses. Premiums last year footed up \$1,746,754, a flattering gain of \$118,990. Gains were made in both the fire and the marine departments. The fire loss ratio was less than 50 per cent.

The extraordinary progress of the company is well set forth in the statement, by a comparison of five-year figures, beginning with 1880 when the assets were only \$741,487 and the net surplus was only \$153,172. Since then the assets have increased five-fold and the net surplus has increased nearly ten-fold. Good management has been essential in the production of such rare results of twenty-eight years' business; and the sound underwriting practices of the company, a judicious blending of liberal and conservative methods, which have become crystalized into habit and tradition, give every assurance of the future growth and prosperity of the Fireman's Fund.

In its home field, in the Pacific West, the Fireman's Fund wrote \$482,711 premiums last year. This is a gain of \$44,000.

Losses were light, less than 47 per cent. of the Coast premiums being required to liquidate the same. In rank as to volume of both California and Coast premiums, this company heads the list of seventy-five American and foreign fire offices.

Foreign Corporations and the Firemen's Relief Fund Law.

From The Coast Review, December, 1885.

The recent decision of the supreme court of this State in the case of City and County of San Francisco v. Liverpool & London & Globe Ins. Co., elsewhere reported in full, is in many respects a most interesting and important decision to the insurance fraternity. The particular clause of the Constitution of California held to have been infringed upon by "an act to require the payment of certain premiums to counties and cities and counties by fire insurance companies not organized under the laws of California, but doing business therein, and providing for the disposition of such premiums," will not be found in the constitutions of many other States; and so far as that branch of the case is concerned, it is almost solely of local interest and importance. The immediate effect of the decision is to relieve foreign insurance companies of an exaction which, on the basis of their returns for the past year, amounts to about \$38,000 per annum. But a much more important question than the construction of one clause of the Constitution of California was fully determined by the court, and it is noteworthy that in the lengthy history of litigation arising from legislative exactions on foreign corporations, this point has never before been fully and fairly presented and squarely met and decided. It is the question of the constitutional relation between a foreign corporation and a State in which it is doing business.

It was claimed by Messrs. Hayes & Garber, attorneys in behalf of the city and county, that a foreign corporation had no constitutional rights which a State legislature was bound to recognize, unless such rights were by express terms granted to foreign corporations; that the general inhibitions and limitations of the constitution were intended for the protection of citizens only, and not at all for the protection of foreign corporations doing business in the State; that a corporation foreign to a State was absolutely at the mercy of the legislature thereof, and subject to any restrictions whatever that might be imposed on its right to do business, or upon it when doing business in such State.

It was, on the other hand, claimed by Mr. McGraw, on behalf of the defendant, that a State legislature had the same power over a foreign corporation that it has over a domestic corporation, and in the absence of express constitutional provisions conferring it, no greater power over the one than the other; that a law which would conflict with the constitution when applied to domestic corporations was equally invalid when a foreign corporation was the subject of it. The supreme court emphatically sustains the views of the counsel of the L. & L. & G. of the extent of legislative power over foreign corporations.

It would seem that it is a question as to which no doubts should ever have arisen; but the noted case of *Doyle v. Continental Ins. Co.* in the U. S. supreme court, under which for many years foreign companies have been precluded from removing actions against them to the U. S. courts, did much to generate a belief in the absolute helplessness of such corporations, though that decision by no means goes to that extent.

As we showed in a late issue of the *Coast Review*, the Federal supreme court, after many years of error, finally got back to correct principles, and in the late case of *Barron v. Burnside* overruled *Doyle v. Continental Ins. Co.*, and extended the protection of the U. S. constitution to foreign companies. Our supreme court, following the same laws of reasoning adopted in *Barron v. Burnside*, extended the protection of the State constitution over the foreign or non-resident companies.

Our readers well understand that the power of discrimination against foreign corporations is not denied to a State; on the contrary, the court holds that in the absence of constitutional limitation the State has an unlimited power of discrimination, which may be exercised in favor of or against a foreign company. But in imposing burdens on such companies, none can be laid except such as the State would have the power to lay on its domestic corporations.

New Mexico Deposit Law.

The solicitor-general of New Mexico has advised the governor that the bonds purchased by the insurance companies in accordance with the new deposit law would be subject to Territorial, county and municipal taxation at the place of deposit. As the place of deposit is Santa Fe, the taxes will equal the interest, and the companies must therefore be prepared to sacrifice the interest on \$10,000 as a condition of doing business in New Mexico and run the risk of loss of the bonds

besides; for the bonds are negotiable by anybody and may be easily stolen from the insecure safe in the office of the Territory's treasurer. Congress has declined to interfere. The New Mexican bonds are below par, and doubtless the speculators hope by this law to increase the values. As it is also proposed to make the Territory responsible for all county and municipal bonds, it is more than likely that the Territorial bond will fall still farther in price. Several companies have already announced a resolution to withdraw from this Spanish-American borough.

Warning Against Doubtful Fire Insurance Companies.

Insurance Commissioner Campbell of Michigan sends out a warning to the public against the following fire insurance companies:

American Trust and Ins. Co., Chicago, Ill.
 Associated Manufacturer's Mutual Ins. Co., N. Y.
 Atlantic Mutual Fire Ins. Co., New Jersey, Underwriters.
 Atlas Ins. Co., Columbia, S. C.
 Aurora Fire Ins. Co., Philadelphia.
 Bankers' & Merchants' Lloyds.
 Buffalo Mutual Fire Ins. Co., Buffalo, N. Y.
 Buffalo & Niagara Fire Lloyds Ins. Co., Buffalo, N. Y.
 Chicago Ins. Co., Chicago, Ill.
 Citizens' Ins. Co., Evansville, Ind.
 Columbia Lloyds, New York.
 Commercial Fire, Wilmington, Del.
 Commercial Lloyds, New York.
 Electric City Fire Ins. Co.
 Enterprise Fire Lloyds.
 Farmers' & Mechanics' of West Va.
 Fire & Marine Ins. Co. of West Va.
 General Fire Ins. Co., Paris.
 Great Britain Ins. Corporation.
 Indiana, Ins. Co., Indianapolis.
 Indiana Underwriters, Indianapolis.
 Isthmus Lloyds.
 Knickerbocker Fire Lloyds, New York.
 La Meuse, Liege, Belgium.
 London Fire Office.
 Long Island Mutual Fire Ins. Co., New York.
 Manufacturers' Lloyds, New York.
 Merchants' Fire Lloyds, New York.
 Merchants' National Ins. Co., Chicago, Ill.
 Merchants' & Guarantee Lloyds, New York.
 Merchants', New Orleans.
 Mfg'rs & Merchants Fire Lloyds, N. Y.
 Millers' & Mfg'r's Mutual, Minneapolis.
 Mt. Vernon Fire Ins. Co., Alexandria, Va.
 Mutual Church Ins. Co., La Crosse, Wis.
 Mutual Lloyds, New York.
 National Church Mutual, Lisbon, Ia.
 New Jersey State Fire Association.
 New York and Mass. Fire Lloyds, New York, Underwriters.
 New York Central Lloyds.
 New York Fire Lloyds.

New York & Brooklyn Fire Underwriters.
 New York & Boston Lloyds, New York.
 Norfolk Fire, Norfolk, Va.
 Protective Fire Ins. Association, New York.
 Protective Fire Lloyds, New York.
 Quebec Fire Association, Quebec.
 Queen City Fire Ass'n, Buffalo, N. Y.
 Schuylkill Fire Ins. Co.
 South American Union Underwriters, New York.
 Southern & Northern American Lloyds.
 Traders' Lloyds, New York.
 Tradesmen's Lloyds, New York.
 Underwriters' Mutual Lloyds, New York.
 Union Mutual Fire Ins. Co., New Jersey.
 United Cities Lloyds, New York.
 United Fire Ins. Co., Providence, R. I.
 United Underwriters.

The Merchants of New Jersey Establishes a General Agency in California.

Manager Garrigue of the Western department of the Merchants Insurance Company of Newark, N. J., who recently visited California, looked over the field in a leisurely way and gave some study to Coast ways of doing business. His conclusions favored the creation of a general agency, with headquarters in San Francisco.

The Merchants formerly did business in this field, latterly in the office of the Sun, whose secretary was its general agent; but when the Sun reinsured, the Merchants withdrew. Returning to California, it resumes business under very favorable conditions, and for the first time has a separate department in this State.

Manager Garrigue had several desirable applications under consideration, and finally made an appointment which is recognized as one likely to produce the best results. George W. McNear, the well known grain merchant at the north-east corner of Sansome and California streets, was appointed general agent for California, and Willard O. Wayman was selected for the position of manager for General Agent McNear. Mr. Wayman is an energetic and capable young man who for some time has had charge of the fire insurance department of Messrs. Okell, Donnell & Co. He has taken an active interest in the affairs of the Fire Underwriters' Clerks' Association, and has been its president. R. M. Buckman, recently

of Chicago, has been appointed special agent. Mr. Buckman has also had office experience as the secretary of a fire office, and is especially well known in Chicago as the Western correspondent of the *Standard*, "Lorgnette."

The Merchants Insurance Company has been established forty years. It has a handsome net surplus in excess of \$300,000, which makes its policyholders' surplus over \$700,000.

Mr. McNear also represents the Marine Insurance Company of London. Offices for the insurance business of Mr. McNear have been fitted up at 308 Sansome street, recently occupied by the Pacific Surety Co., and adjoining Mr. McNear's general commission office.

The North German Fire Insurance Company.

The North German of Hamburg will celebrate the completion of its thirtieth year in a short time. The stockholders have satisfactory reasons to make the event a memorable one. The company has prospered and has paid good dividends.

The latest figures of the company's assets and revenues show a decisive advance. Business has increased, and there has been a corresponding increase in assets and surplus funds. The net surplus is a handsome sum, uniting with the paid up capital to give policyholdersexceptionally good security.

The general agent, Walter Speyer, has made an enviable record as a business getter and profit producer, which goes to show that the North German's policyholders on the Coast are well satisfied with its indemnity.

Municipal Insurance Receives a Setback.

A scheme of municipal fire insurance has been strongly advocated in various parts of the British empire. In England there is an organization favoring the insurance of property by associated municipalities. Municipal insurance has been strongly urged by the socialistic element in Canada, notably in Toronto. In New Zealand an elaborate municipal insurance scheme was embodied in a parliamentary

measure which received the support of some of the Colonial officials. In Australia, likewise, especially in Melbourne, as we are informed, the municipal insurance idea had obtained a strong hold on the minds of people wholly ignorant of the conditions and history of fire underwriting.

Recent conflagrations have burned the foundations of the projected municipal insurance structure. Windsor, London and Melbourne—three great fires in the very countries where municipal insurance has had its strongest support. No municipal insurers could have met these losses. Property-owners depending on municipal indemnity would have been bankrupts.

The Association of Municipal Corporations of England has voted down a proposal for municipal insurance. A correspondent writes us that the Melbourne fire destroyed municipal fire insurance in Australasia. No sensible man will now listen to such a proposal, and the logic, falsehoods and eloquence of office-hunters alike fall flat.

Clauses Suggested by a Pacific Coast Adjuster.

HAY.—In case of loss, hay in bulk, in stack, or in warehouse, located in any of the "Bay Counties," not to be valued to exceed three-fourths the cash market value of same kind of hay at place and date of fire; the said market value to be found by taking the San Francisco cash price of similar kind and quality of hay, less freight, toll and all other expenses incurred in the handling and selling of same.

APPLES (in packing houses).—In event of loss, apples not to be valued to exceed 35 cents per box (including boxes) or if stored in bulk apples not to be valued to exceed \$14 per ton.

In regard to hay it might be well to stipulate the names of the counties known as "Bay Counties," else some shining light of the legal profession might undertake to define them for us in event of a suit upon a resisted claim. Much difficulty has been incurred by adjusters in satisfactorily arriving at the market value of hay at time of fire, the claimant invariably insisting upon adding all the expense to the goods possible. The above clause would effectually settle the question as to value.

The business of insurance upon fruits is increasing yearly and it would therefore be

well to give the matter of drawing the form of policy some careful consideration, especially in the case of apple packing houses, most of which are located in Santa Cruz, Monterey, Santa Clara, San Benito and other southern counties. A definite standard of value should be placed upon apples in event of loss. These crops are almost entirely handled by Greeks, Slavonians, Italians and Portuguese, a class of people not familiar with our language. They look upon the value of their goods from the light of what they would bring in the New York or London markets, from \$2 to \$3 per box, including freight. They buy the orchards before they are in blossom, take all chances on failure of crops from frost and other causes. When fruit is ripe they pick it and haul to the packing house, where it is assorted, packed and shipped to market. The apples do not cost them to exceed 15 cents per box including labor; their idea of value, however, is regulated by the price they bring in New York or London.

The principal danger from loss by fire is after the fruit has been assorted, the wormy apples and culls boxed and packed in a particular part of the building and the good ones sold. In none of the packing houses is fire used, the only danger, in my judgment, being from incendiary, or the selling of the poor fruit to the insurance company at a fancy price. If the amount of insurance per box or per ton is limited at the figures named it will fully compensate the assured in case of an accidental fire for all loss or actual damage sustained and at same time give the company a definite value of the stock before the fire.

ADJUSTER.

Liability of Fire Insurance Agents.

Agents of fire insurance companies who send abroad for policies in Cheap John concerns, for their customers hankering after a low rate, should bear in mind, that if a loss occurs under such policies, and the "insurers" turn out to be no account—as they generally do—the agent will be held liable, and if he has belongings, within reach of the sheriff, may find a red flag posted before his home. A recent decision by the supreme court of New York fixes the responsibility under policies of insolvent companies on the agents thereof. Smith, Davis & Co. represented the Ohio Underwriters Association in 1893. They issued a policy for \$2,700. A fire, shortly after, destroyed the risk, and the insurees were unable to collect under the policies. Suit was entered against the agents of the association, the insurees holding them

responsible on the ground that the agents knew the companies composing same were insolvent. A verdict against the agents has just been rendered.—*Insurance Agent.*

The Home Mutual's Thirty-Fourth Annual Statement.

GAINS IN ALL DEPARTMENTS—THE NET SURPLUS IS STEADILY ADVANCING—OVER SEVEN-TENTHS OF THE ASSETS ARE SURPLUS FUNDS.

The Home Mutual Insurance Company of California enters the "ring" 1898 smiling and triumphant. The past year has been prosperous for the company, enabling the management to add notably to the assets and surplus funds. Business was increased, and the year's expenditures left a favorable balance of \$53,491, after paying \$168,942 losses, the usual handsome dividends, and all expenses.

The assets of the Home Mutual now aggregate \$924,086, the most of which are immediately available for the payment of any possible conflagration losses. The surplus to policyholders is \$651,827, a sum equal to seven-tenths of the gross assets. This large proportion of surplus funds is equaled only by four or five of the larger companies operating in this country.

The Home Mutual's net surplus is \$351,827, a gain of \$12,211. All the liabilities of the company (not counting capital as a liability) could be paid out of the net surplus, and still leave a neat balance of \$79,568. Since January 1, 1892, the following net surplus has been yearly reported and duly attested:

Jan. 1, 1892	\$262,381
1893	284,582
1894	302,753
1895	317,896
1896	328,184
1897	339,616
1898	351,827

The Home Mutual made gains in all divisions of its business last year. The assets gained \$42,396; the annual income gained \$73,730; the reinsurance reserve gained \$35,111; and the net surplus is \$12,211 larger. The premium income is not at hand, but the increased reinsur-

ance reserve indicates increased premium receipts.

In the Pacific West the company increased its premiums over \$17,000, and incurred fewer losses. The total Coast premiums were \$205,405, of which only 50 per cent. were required to pay losses. Only three other State companies exceed it in Coast premiums. We congratulate the management on the good showing they have made in the thirty-fourth annual statement.

Van Cleave on "Underwriters" Policies.

Insurance Superintendent Van Cleave of Illinois has made a ruling adverse to the policies of the various "underwriters" associations. There are three kinds of such policies, to-wit: those issued by a single company, those issued by several companies in which they are severally liable for specified shares, and those issued by several companies in which they are jointly and severally liable for the whole amount.

The superintendent ruled as follows:

It is a well settled principle of law that corporations can not form a partnership, unless expressly authorized by law. It has been held by the Illinois supreme court that corporations and individuals may make joint contracts without creating a partnership.

The law of Illinois allows the issuance of a joint policy, but does not allow such policy under some other name. These "underwriters" policies are not directly written by the corporation itself, and are therefore a partnership. The new arrangement has no charter and no assets.

It is a well settled principle of law that a corporation having received a charter can not do business under any other name. The adoption of a new name is a violation of law.

The criminal code says if any corporation or individual assumes a corporated name it shall be fined from \$10 to \$200. These "underwriters" associations have violated this law of Illinois.

The superintendent concludes that the companies may issue a joint policy in their own names; that combinations in which the premiums constitute a common fund, from which losses and expenses are paid and profits are divided, are in violation of law; that the use of a different name is in violation of law and must be discontinued.

The *Record* was mindful of the holidays, too. Ditto *Insurance Report*. "It is a custom," etc.

December Fires.

WASHINGTON.

24.	Seattle, iron works and machine shop:	
	New York Underwriters . . .	\$500
	Seattle, bldg and contents:	
	London & Lancashire . . .	\$800
14.	Cokedale, mdse in fr bldg:	
	Manchester	\$1,200
24.	Pt. Townsend, dwg and contents:	
	St. Paul	\$900
3.	Port Townsend, fr dwg:	
	Ætna	\$800
30.	(Nov.) Olympia, fr dwg:	
	Royal	\$750
	Spokane, dwg and contents:	
	Pennsylvania	\$1,200
27.	Spokane, hhd furni, etc:	
	Hartford	\$500
21.	Everett, tug boat:	
	North British	\$1,200
31.	Marysville, dwg:	
	Ætna	\$1,500
	Whitman co., dwg and contents:	
	Pennsylvania	\$1,325
11.	Waterville, gen'l mdse:	
	American Pa.	\$ 500
	Pennsylvania	1,000
1.	Yakima, fr dwg and furni:	
	Hartford	\$4,000
	Scottish Union	1,000
	Losses under \$500	\$5,323
	Total Washington	\$22,498

OREGON.

7.	Clackamas co., dwg and barn:	
	Ins. Co. North America . . .	\$600
17.	Lostine, flour mill and wheat:	
	Fire Association	\$3,000
	Firemen's Fund	1,200
20.	Pendleton, fr dwg:	
	Western	\$2,500
27.	Pendleton, gen'l fire:	
	Aachen & Munich	\$ 550
	Phoenix, London	500
	Ins. Co. North America . . .	900
	Home, N. Y.	2,390
	Firemen's Fund	1,000
	Lion	1,000
	Caledonian	1,437
	Polk co., bldg:	
	London & Lancashire . . .	\$550
27.	(Nov.) Portland, hotel bldg:	
	Aachen & Munich	\$637
	Suver, store bldg and contents:	
	Pennsylvania	\$1,500
	Losses under \$500	\$3,797
	Total Oregon	\$21,561

IDAHO.

9.	Genessee, grain warehouse and contents:	
	Caledonian	\$1,200
	London & Lancashire . . .	500
	Manchester	600
19.	Grangeville, bldg and contents:	
	Home Mutual	\$ 500
	Fireman's Fund	1,500
	Losses under \$500	\$1,878
	Total Idaho	\$6,178

MONTANA.

24.	Great Falls, dwgs:	
	Connecticut	\$1,000
29.	(Nov.) Custer co., fr dwg and contents:	
	Sun	\$873
	Helena, fr dwg and contents:	
	Phoenix, Hartford	\$1,000
19.	Billings, br store bldg:	
	Phoenix, Hartford	\$634
	Losses under \$500	\$2,311
	Total Montana	\$5,818

COLORADO.

6.	Salida, gen'l mdse:	
	National, Hartford	\$ 750
	Royal Exchange	1,150
	Lion	500
16.	Salida, stock:	
	Fireman's Fund	\$500
24.	Los Animas co., adobe dwg, etc.:	
	Alliance	\$700
20.	Colorado Springs, dwg:	
	Atlas	\$2,280
10.	Elmora, dwg and contents:	
	Atlas	\$1,100
20.	Manitou, store and fr dwg:	
	Greenwich	\$2,000
28.	Durango, stone and fr iron works:	
	Sun, London	\$1,750
	Fireman's Fund	1,750
	Losses under \$500	\$4,085
	Total Colorado	\$16,565

ARIZONA.

24.	Jerome, gen'l fire:	
	North British	\$1,000
	Home, N. Y.	600
	Pennsylvania	600
	Fireman's Fund	600
	Ætna	1,900
	Phoenix, Hartford	2,270
15.	Winslow, dwgs and contents:	
	Firemen's Fund	\$2,200
	Hartford	750

	Clifton, quartz mill:	
	Phoenix, Hartford	\$700
	Union, London	700
	London & Lancashire . . .	700
	Home, N. Y.	700
	Phoenix, fr dwg:	
	Queen	\$1,000
	Losses under \$500	\$1,697
	Total Arizona	\$15,417

UTAH.

30.	Salt Lake, gen'l mdse:	
	Hartford	\$1,000
28.	Salt Lake, br bldg:	
	Ins. Co. North America . . .	\$700
4.	Salt Lake, contents dwg:	
	Ins. Co. North America . . .	\$800
23.	(Nov.) Ogden, mdse:	
	North German	\$1,084
	American Fork, fr creamery:	
	Phoenix, Hartford	\$1,386
	Losses under \$500	\$997
	Total Utah	\$6,581

WYOMING.

	Losses under \$500	\$602
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BRITISH COLUMBIA.

	Losses under \$500	\$100
	Total Outside Territory . . .	\$96,320

CALIFORNIA.

16.	Chico, fr dwg and contents:	
	Sun	\$624
	Fireman's Fund	531
	Benicia, dwg:	
	Home Mutual	\$740
16.	Berkeley, furni and wearing apparel:	
	Phoenix, London	\$700
12.	Berkeley, fr dwg:	
	Ætna	\$2,500
24.	Cooper Switch, fr grain house and contents:	
	Hartford	\$8,300
25.	(Nov.) Butte co., barn and contents:	
	Fireman's Fund	\$500
24.	Crow's Landing, dwg:	
	Ætna	\$1,550
18.	Brown's Valley, hall bldg:	
	Pennsylvania	\$600
27.	Chico, fr sheds:	
	German-American	\$1,600
28.	Avila, fr store bldg and contents:	
	Liv. & Lon. & Globe	\$500
26.	(Nov.) Humboldt co., fr dwg and contents:	
	Pennsylvania	\$800

23. (Nov.) Grass Valley, piano and hhd furni: Fire Association . . . \$500 Fireman's Fund . . . 700	17. (Oct.) Occidental, wine: New Zealand . . . \$504	14. San Diego co., fr dwg & conts: Phoenix, Hartford . . \$1,000
2. Haywards, dwg conts: Atlas . . . \$700	23. Pomona, fr dwg: Queen . . . \$600	27. San Diego, jewelry stock: Ætna . . . \$1,198
20. Fresno co., fr dwg and conts: North British . . . \$2,963	16. Pasadena, stone and fr dwg and conts: Hartford . . . \$1,000 London & Lancashire . 1,100	29. San Bernardino, gen'l fire: Norwich Union . . . \$3,200 Ætna . . . 3,600 Liv. & Lon. & Globe . . 4,100 Home . . . 1,408 Caledonian . . . 1,300
15. Fresno, fruit packery: Liv. & Lon. & Globe . . \$669	17. Petaluma, dwg: Ins. Co. North America . \$500	15. Vallejo, fr dwg: Home . . . \$596 Visalia, br bldg: Williamsburg City . . \$250
7. Eureka, hay in fr bldg: Caledonian . . . \$750	31. Petaluma, fr tannery: Commercial Union . . \$2,314 Magdeburg . . . 893	Losses under \$500 . . \$. . . Total Calif., S.F. ex. \$158,479
20. Eureka, dwg and hhd furni: Fire Association . . . \$2,000	1. Riverside co., fr dwg: Manchester . . . \$1,200	SAN FRANCISCO.
9. Los Angeles, fr dwg & conts: North British and Mer. \$1457	21. Riverside, dwg conts, etc: Manchester . . . \$800 Caledonian . . . 550	10. Dwelling: Royal Exchange . . . \$700
6. Los Angeles, drg goods: Pennsylvania . . . \$741 Ætna . . . 556	23. Riverside, fr farm bldgs: Manchester . . . \$500	10. Frame building and conts: German-American . . \$1,250
15. Los Angeles, baled hay in warehouse: United States . . . \$ 550 German Alliance . . . 2,450 Phoenix, Hartford . . . 3,000 Union, London . . . 1,575	24. Salinas, bldg conts: North German . . . \$500	4. Building and contents: North German . . . \$800
11. Los Angeles, dwg: Helvetia . . . \$600	19. Sanger, box factory: Manchester . . . \$1,658 Caledonian . . . 1,588 Queen . . . 633 Sun . . . 527 Home, N. Y. . . . 1,953 National, Hartford . . 737 Royal . . . 2,757 Palatine . . . 3,595 Atlas . . . 842 Phoenix, London . . . 800 Springfield . . . 1,000 Total . . . \$15,190	10. Frame dwelling: Magdeburg . . . \$1,300
27. Los Gatos, fr dwg: North British . . . \$2,000	2. Santa Cruz co., dwg & conts: Norwich Union . . . \$775	10. Frame mercantile building: Imperial . . . \$510
Monterey co., warehouse: London & Lancashire . \$3,000	30. Santa Cruz, fr dwg and sheds: German-American . . \$800	23. Tannery: Western . . . \$607 British America . . . 606
2. Napa co., farm property: Alliance . . . \$1,000	26. Santa Clara co., fr dwg: German-Alliance . . \$750	10. Carpenter shop contents: Thuringia . . . \$550
20. Nevada co., fr dwg: Sun . . . \$750	5. Stockton, dwg: Helvetia . . . \$900	28. Furniture and fixtures: Fire Association . . . \$840
20. Novato, fr dwg and conts: Home, N. Y. . . . \$900	22. Sonoma co., tool house and contents: Royal Exchange . . . \$507	22. Frame cannery: Royal . . . \$607
25. Napa, dwg: Aachen & Munich . . \$750	24. Santa Clara co., hhd furni: Fireman's Fund . . . \$936	22. Office furniture: Caledonian . . . \$558
2. Ontario, br hotel and conts: Liv. & Lon. & Globe . . \$ 2,288 Firemen's Fund . . . 2,288 Palatine . . . 10,950 New Zealand . . . 873 Royal . . . 3,582 Aachen & Munich . . . 918 Home Mutual . . . 873 National . . . 831 London & Lancashire . 1,831 Hamburg-Bremen . . . 1,791 Total . . . \$26,225	26. Santa Clara co., fr wine cellar: Queen . . . \$1,100 Royal . . . 2,200	Merchandise: Williamsburg City . . \$400 Franklin . . . 200 Losses under \$500 . . . \$9,726 Total San Francisco . \$18,654 Total California . . \$177,133 Total Pacific Coast . \$273,453 Total 1897 . . . \$4,089,467 Total 1896 . . . \$4,357,763
13. Orange co., fr dwg: Sun . . . \$1,200	23. (Nov.) San Jose, wine: Fire Association . . . \$2,500	LOSSES BY COMPANIES.
3. Oakland, fr dwg: Western . . . \$800	Santa Clara co., fr wine cellar: Queen . . . \$1,100 Royal . . . 2,200	Achen & Munich . . . \$ 3,058 Ætna . . . 16,072 Alliance . . . 1,853 American, N. J. . . . 730 American, Pa. . . . 1,356 American Central . . . 220 Atlas . . . 6,338 Baloise . . . 10 British America . . . 1,289
16. Oroville, fr dwg: Queen . . . \$570	11. (Nov.) San Bernardino, dwg and barn: Fireman's Fund . . . \$2,500	
28. Oroville, dwg: Ætna . . . \$735		

Phoenix, Hartford	12,318	Lion	1,748	Queen	4,308
Caledonian	8,760	Liverpool & Lon. & Globe	9,749	Royal Exchange	3,012
Commercial Union	3,521	London & Lancashire	10,859	Royal	12,663
Connecticut	2,019	London	698	Scottish Union & Nation'l	1,957
English-American Underw.	200	Magdeburg	2,653	Springfield	1,659
Fire Association	9,408	Manchester	7,115	St. Paul	1,438
Fireman's Fund	19,951	Milwaukee Mechanics	176	Sun, London	6,695
Franklin	200	National, Hartford	4,874	Svea	687
German Alliance	3,200	New Zealand	1,538	Transatlantic	1,086
German-American	4,648	New York Underwriters	535	Thuringia	1,802
Greenwich	2,050	Northern	37	Traders . . . . .	..
Hamburg-Bremen	2,336	North German	3,581	Union, London	2,425
Hanover	630	North British & Mercant.	11,659	Union, Pa.	405
Hartford	17,968	Norwich Union	5,196	United States	866
Helvetia	1,553	Northwestern National	4,500	Williamsburg City	650
Home, N. Y.	8,332	Orient	166	Westchester . . . . .	..
Home Mutual	2,643	Palatine	16,129	Western	3,983
Imperial	1,688	Pennsylvania	8,600		
Ins. Co. North America	3,840	Phoenix, London	2,070	Total	\$273,453
Lancashire	787	Providence-Washington	10		

United States Fire Losses.

	1897	1896
January	\$12,000,000	\$11,000,000
February	9,000,000	10,100,000
March	10,000,000	12,200,000
April	11,000,000	12,000,000
May	10,000,000	10,200,000
June	6,000,000	7,300,000
July	7,000,000	10,000,000
August	7,000,000	10,200,000
September	10,000,000	9,000,000
October	12,000,000	9,800,000
November	7,500,000	7,000,000
December	12,000,000	11,500,000
	\$113,500,000	\$120,300,000

Liverpool & London & Globe Insurance Company.

"The prosperity of the Liverpool & London & Globe," says the Insurance Observer of London, "is a matter that every insurance worker should take an interest in. It is, perhaps, too much to call the company the fly-wheel of fire insurance, but that it exercises a valuable and powerful steadying influence none will deny. There are thousands of agents who are, perhaps, accustomed to look upon the Liverpool & London & Globe as a competitor merely, forgetting that to its consistent adherence to the best traditions of insurance the working agent owes much. Those who wish to retain and increase the dignity of an insurance agent's work ought to look upon this company as one of their best and most powerful friends. There have been times, and these may occur again, when if the influence of the Liverpool & London & Globe, had been exerted in a contrary direction, or if the company had chosen to depart from its time-honored policy of conservatism in management and straightforwardness in compe-

tition, every agent would have been adversely affected by its action."

Fires in Ogden, Utah.

	1895.	1896.	1897.
Total No. of fires	68	77	51
Total losses	\$ 32,001	\$ 78,399	\$ 15,573
Total Ins. involved	198,170	268,608	394,150
Total Ins. loss	25,455	52,362	13,861

There is a fair presumption that for ten years Michigan has had free competition in fire insurance, at least so far as legislation can control it. Well, have rates dropped to a point satisfactory to the furniture manufacturers of Grand Rapids, who instigated this legislation? The figures show that the average rate in Michigan in 1877 was 144 cents, and in 1896 148 cents. Georgia passed an anti-compact law in 1890, when its average rate was 127 cents. The rate in 1896 was 139 cents. Kansas passed the law in 1889 with a rate of 137 cents, and is now rejoicing in a rate of 148 cents.—Hayden.

A prominent underwriter once said that, in addition to the physical hazard, rates must cover carelessness, accidents and design, and as the ratios which the last bear to the first are now, and probably ever will be, beyond accurate ascertainment, rates must necessarily remain in some measure arbitrary, and it would seem that the only method of determining with approximate accuracy the cost of insurance on the various classes of risks, would be in combining the experience of successful companies doing a large business, and it seems somewhat remarkable, that after a quarter of a century of intelligent underwriting, this should be still an achievement for the future. Davies.

Frank Watt Dickson.

The reorganized Pacific department of the Royal Exchange, comprising California, Nevada, Arizona, Utah, Colorado and New Mexico, has been placed in charge of Frank Watt Dickson, who will have the title of assistant manager. Mr. Dickson is a brother of United States Manager Robert Dickson, who has removed to New York, and who will continue for the present to supervise the business of this department.

Frank Watt Dickson has been connected with the office for about thirteen years. He has been (with Colin M. Boyd) the San Francisco agent of the Queen and Connecticut, for many years, up to 1896. During the past two years he has been a special agent for the Royal Exchange.

Mr. Dickson is a native of Scotland and is 37 years old. His experience in the business of fire insurance includes clerical work, soliciting, adjusting, special agency work, and general management. He is familiar with the principles and methods of underwriting which are conceded to be sound and essential to permanent success, and which have characterized the management of the Pacific department of the Royal Exchange. We are pleased to present with this number an excellent portrait of Assistant Manager Dickson.

Royal Exchange Assurance American Departments.

The several American departments of the Royal Exchange are now as follows:

Head office of the United States branch, 100 William street, New York city: Robert Dickson, manager.

Western department, 164 La Salle street, Chicago: John Marshall, Jr., special agent in charge.

Northwest department, Union block, Portland, Or.: Edward Hall, manager. This department includes Oregon, Washington, Idaho and Montana.

Pacific department, 501 Montgomery street, San Francisco: Frank Watt Dickson, assistant manager. This department includes California, Nevada, Arizona, Utah, Colorado and New Mexico.

Right Smart Guessing.

In the December *Coast Review* we made the following estimates of probable Coast loss ratios, based on the losses as reported to us by the San Francisco fire underwriters:

"The average loss ratio bids fair to be somewhat less than 50 per cent. We hazard the guess that the Coast loss ratio will average about 46 or 47 per cent.; and we guess that the California loss ratio will average about 53 or 54 per cent."

Owing to the change in rates we thought the guessing "rather wild" and said so. But it wasn't. We guessed 1 per cent. under the official percentages. The actual average in California was 55 per cent.; on the Coast at large it was 48 per cent. paid or 47 per cent. incurred. Isn't this pretty close guessing?

Annual Meeting of Fire Underwriters' Association of the Pacific.

This famous Pacific West association of field men and ex-field men holds its annual meeting in San Francisco on February 15 and 16; and will round out the interesting event with a rousing banquet. President Osborn has prepared an attractive program as follows:

Our Duty to the State, D. Ostrander, of Chicago. The Study of Law as an Aid to the Insurance Man, Chester Deering. Stipulation and Waiver, T. C. Van Ness. The Mistakes of Moses, T. Edw. Pope. Special Agents, Ed. Niles. Origin, Growth and Effect of Valued Policy Laws, F. G. Argall. Assistant Managers, W. H. Bagley. The Local Agent and Adjustments, R. A. Luke. Eloquence of a Smile, Wm. Sexton. Talking Back, Wm. Maris. The Practice of Fire Underwriting, Young E. Allison of Louisville, Ky. The Value of the Sprinkler, W. S. Davis. The Agnostic Elements of Underwriting, Amos Sewell. An Insurance Topic, H. McD. Spencer.

THE company that "can't afford to advertise" is not a company that will settle losses on a liberal basis. This is a pointer for the local agent as well as for the insuring public.



FRANK W. DICKSON,
Assistant Manager Pacific Department
ROYAL EXCHANGE ASSURANCE.

EDITORIAL PARAGRAPHS.

THE exaggerated reports of losses at the Cripplegate fire caused a sharp depreciation of the shares of seventeen British fire offices listed on 'change. The depreciation was several times the amount of the fire loss. There would have been no alarm and no loss to timid shareholders, we are convinced, had the British insurers, like the Americans, immediately made public the amount of their probable losses.

* * *

ATTENTION has been called to the fact that in modern times great fires have occurred generally in October or November. This is not the case with Pacific Coast conflagrations.

* * *

A GOOD company to let alone, always, is one from Indiana or West Virginia.

* * *

WHEN the days begin to lengthen the cold begins to strengthen—on the other side of the Sierras. And the stoves redden when folks are sleddin'; and when the lads and lasses are sparkin' the chimneys soot and follow suit; and when the mercury descends the furnace-heat ascends; and fires break out everywhere, and the firemen are handicapped by the frosty air, frozen mains and lack of rains; and losses pile up and underwriters "rile" up; and only foolish folks expecting favors insure in reckless rate-shavers. Why, in four days, including Christmas, there were 119 alarms in Chicago and a million and a quarter losses.

* * *

ONLY the property-owners able to carry their own risk can afford to accept cut-rate policies.

* * *

THE work of special rating is going on steadily in San Francisco. Many changes, advances and reductions according to changes in the hazard, have recently been made. One advance, however, makes more noise than fifty reductions.

* * *

A VISITOR from the East says that rates are lower in San Francisco than in

the large cities east of the Rockies. The lower rates are specially noticeable as to large buildings and mercantile risks. The absence of freezing weather, favorable direction of the prevailing winds during summer, and the rainfall during winter, combine to make the San Francisco hazard less than that of other large cities.

* * *

THE Kansas insurance superintendent's persecution has already driven four solvent companies out of the State and has prevented others from coming in. Local agents of the retiring companies will suffer a considerable loss, and as loans will be called in and mortgages be foreclosed, many farmers and others will be embarrassed or ruined. It will be strange if the sufferers do not resent the demagogue superintendent's abuse of authority, at the ballot-box.

* * *

WE have been under the impression that an accused person is not required to furnish proofs of innocence until his accuser presents proofs of guilt. Since the days of the Spanish Inquisition men in civilized countries have been assumed to be innocent until proved to be guilty. Our brandy-and-soda sparkling contemporary, the *Insurance Herald*, kindly corrects this wrong impression. It asserts that the insurance companies have been guilty of "bad faith in the treatment of statutory requirements," and gives us to understand that it expects proof of innocence. What a sad sight it must be to see our contemporary standing unprotected in the rain, near his own open door.

* * *

[AN exchange refers to the Kansas examiner's "leaving." The only thing he leaves is a receipted bill.

* * *

CAN callow State insurance commissioners be blamed for their ignorance, when a Hartford insurance journal gravely rebukes the New York companies for not paying their taxes under the retaliatory law of California? Editor Hayden is invited to answer.

The American of Newark.

The American of New Jersey's January 1st figures show \$2,900,819 assets, a gain of over \$150,000. The net surplus is \$1,718,229, a gain of nearly \$111,000 in the year. The reinsurance reserve, \$524,636, gained \$26,000. The American now has in round numbers two and a third million dollars surplus as regards policyholders. It is a very good showing indeed. L. B. Edwards represents this company in this field.

The Philadelphia Underwriters Begins Business on the Coast.

The recently organized Philadelphia Underwriters, composed of two of the oldest and strongest American fire offices, has begun operations in this field. The Western and Pacific Coast departments will have their headquarters in Chicago, under the management of W. H. Cunningham. The combination will operate through the Fire Association plant. Assistant Manager Beck is now in San Francisco attending to the establishment of the Philadelphia Underwriters in this field. The Fire Association's representatives will hold similar relations with the Underwriters. T. C. Shankland will be State agent for California, Arizona and Nevada. John D. Richards will have charge of the San Francisco department. F. J. Alex Mayer will be State agent for Oregon and Washington. F. M. Avery will be special agent for Montana, Utah and Idaho.

The Philadelphia Underwriters is composed of the Insurance Company of North America, founded in 1792, which has \$5,320,000 surplus to policyholders; and the Fire Association of Philadelphia, founded in 1817, which has \$1,506,000 surplus to policyholders. The combination therefore has \$6,826,000 surplus funds to specially guarantee its contracts of indemnity. The assets of the Philadelphia Underwriters aggregate \$15,610,000.

THE arrogant insurance commissioner asks and is paid his own price for a company "puff," while the humble insurance journalist begs for crumbs from the ad-

clerk's table. Moral: blacknailing pays better than serving the interests of legitimate insurance.

Another Mutual Fails.

The Indiana Farmers Mutual is the latest candidate for a receiver.

Fires in Salt Lake City.

	1895.	1896.	1897.
Total No. of fires . . .	133	129	93
Total losses	\$ 99,815	\$ 30,953	\$120,260
Total Ins. involved . . .	974,260	669,570	763,990
Total Ins. loss	86,527	24 574	115,540

Class of buildings in which fires originated: brick 32, frame 30, adobe 6, stone 1, lathe and plaster 2, frame and plaster 1, brick and frame 3, frame and concrete 1, brick and adobe 1.

Aftermath of the London Fire.

The *Coast Review* was the only American paper which printed a diagram of the burned district.

It is a fact that coal from private stores was offered to the fire engineers and refused because it was "against orders." Meantime several engines were idle while waiting for coal to be hauled two miles from the official stores. An outsider furnished coal to twenty-three steamers.

London has no chemical engines, no chemical extinguishers, no water-towers, no electric alarm system.

The burned area covered only four acres. One hundred and four "warehouses" were destroyed or severely damaged, and eighteen others were slightly damaged.

Some of the hydrants were of an unfamiliar pattern and were not recognized by the firemen. Several minutes valuable time was wasted in looking for hydrants, the one at hand being mistaken for "an electric lighting box."

The total strength of the fire brigade as regarded men is 876. There are 59 steamers, 68 manuals, 218 fire escapes of different sorts, and 124 hose carts. Of that total strength there were employed at the fire 51 steamers, one manual, one hose cart, two escapes, three long narrow vans, three hose and coal vans, and 288 men.

The pressure from the hydrants was 35 pounds.

The interiors of the buildings were constructed of as flimsy, inflammable materials as any in America. One witness described them as wooden pigeon-holes. The flames therefore spread with great rapidity.

The fire originated on the premises of an embarrassed clothing firm.

The losses are now estimated variously as amounting to from \$3,000,000 to \$5,000,000.

A small American company's agency paper, "Once in a While," very foolishly says: "The insurance commissioners of the various States in America will want to know pretty soon how much loss each company had at London and also at Melbourne, and they will find it all out, even if they have to send over to London to get it." We assure our British readers that there is not a word of truth in this quotation. It was inspired by a narrow mind and a jaundiced temper, belonging to a manager who does not read insurance papers.

Tale of Two Frogs.

A merchant in a Pacific Western town complained of the hard times, to the traveling agent of a tobacco company, a Mr. DuVaul. In reply, Mr. DuVaul told a story which had a very pat application. It seems to be equally appropriate to some insurance agents, and we therefore reproduce it, with its author's permission, as follows:

STORY OF THE TWO FROGS.

Once upon a time there were two frogs, one a native of the country, the other a native of San Francisco. They were playing a game of hide and go seek on the depot platform, around a lot of milk cans, when the San Francisco frog suggested to the country frog that it would be a good idea to jump into the open cans which were filled with milk. They were amusing themselves when the milkman came along and put on the covers. The cans were then placed in the baggage car. The train pulled out. Then the San Francisco frog called out to the country frog, "How are you getting along, Country?" The latter replied in almost a whisper, "I'm nearly drowned!" The San Francisco frog this time almost shouted, "Hustle! Hustle! Hustle!" The train stopped, the cans were then placed on the platform, the cover of the can containing the country frog was removed, and the frog was found — dead; but when then cover of the can containing the San Francisco frog was removed, he was found sitting on a cake of butter with a look of contentment on his face.

The moral is plain. Hustle-hustle-hustle, and there will be plenty of butter for your bread. Yield, and competition will drown you; struggle, fight, hustle, "get a move on

you," and you create a foothold and safety. "Keep a steppin'."

Chief Coast Fires in 1897.

APPROXIMATE INSURANCE PAID IN ROUND NUMBERS.

Alameda, Cal., March	\$135,000
Salt Lake, February	80,000
San Francisco, May	60,000
Pendleton, Or., September	52,000
Stockton, Cal., September	46,000
San Francisco, June	43,000
Blaine, Wash., August	36,000
Georgetown, Cal., June	35,000
Genesee, Idaho, November	33,000
San Francisco, July	30,000
Los Angeles, Cal., February	28,000
Ontario, Cal., December	28,000
Portland, Or., October	25,000
Kendrick, Idaho, February	22,000
Miles City, Mont., October	21,000
Sierra Co., Cal., September	20,000
San Francisco, Cal., March	20,000
Portland, Or., August	20,000
San Francisco, May	19,000
Anaconda, Mont., September	19,000
Iron Mountain, Cal., September	19,000
Clayton, Wash., July	18,000
Sanger, Cal., June	17,000
Sierra, Wash., November	17,000
San Francisco, November	16,000
Sanger, Cal., December	16,000
Igerna, Cal., September	16,000
Perris, Cal., February	16,000
Stockton, Cal., September	16,000
Sausalito, Cal., March	15,000
San Bernardino, Cal., December	15,000
Bozeman, Mont., February	15,000
Mullan, Idaho, July	15,000
Portland, Or., June	15,000
San Francisco, June	14,000
Auburn, Cal., September	14,000
Junction City, Cal., September	13,000
Franklin, Idaho, April	13,000
Oregon City, Or., July	12,000
Black Diamond, Wash., August	12,000
Flagstaff, Ariz., September	12,000
Carpenteria, Cal., June	12,000
King City, Cal., October	11,000
Clovis, Cal., April	10,000
Fillmore, Cal., May	10,000
Santa Rosa, Cal., May	10,000
Monrovia, Cal., June	10,000
Pendleton, Or., December	10,000
Portland, Or., August	10,000
Mott, Cal., August	10,000
Modesto, Cal., September	10,000
Oakland, Or., October	10,000
Chateau, Mont., March	10,000
Fernside, Cal., March	10,000

The courteous *Philadelphia Intelligencer* does not tell us what was wrong with our paragraph on perpetual insurance a la Whiting.

Hartford Fire Insurance Company's Statement.

—
 EIGHTY-EIGHTH ANNUAL EXHIBIT—OVER
 \$800,000 ADDED TO THE ASSETS—NEARLY
 A MILLION DOLLARS GAIN IN NET SUR-
 PLUS.

Five and a half million dollars surplus to policyholders! This is over half of the \$10,819,629 assets. The net surplus over capital, reinsurance reserve and all unsettled claims is \$4,249,796. These are the chief items in the eighty-eighth annual exhibit of the condition of the wonderfully prosperous Hartford Fire Insurance Company.

The year 1897 was a very favorable one for the company, placing it in a stronger position than ever before. The gain in assets was \$814,932. The gain in net surplus was \$985,404. This is the largest net surplus gain in the history of the company, and it is probably the largest net surplus gain ever made in one year by an American company.

Since January 1, 1888, the Hartford Fire has more than doubled both its assets and its net surplus, and its premium income has gained in even greater proportion. During the past five years every year has shown large gains in net surplus, and the assets have gained yearly for so many years back that we have lost track of the time when such increase was not uniformly made.

The Hartford Fire has been conspicuously successful ever since Mr. Chase was elected president, in 1867. Since then the assets have increased sixfold and the net surplus has gained one-thousandfold, as shown by the following summary:

Year.	Assets.	Net Surplus.
1867	\$1,788,154	\$ 4,434
1877	3,273,869	1,100,549
1887	5,955,946	1,789,986
1898	10,819,629	4,249,796

As a contemporary well says, this remarkable record of the company is also the record of the president. Another compilation of round numbers, which makes an impressive summary of the growth of the Hartford Fire, is as follows:

Year.	Premiums.	Year.	Premiums.
1820	\$ 5,000	1870	\$1,605,000

1830	35,000	1880	1,607,000
1840	142,000	1890	3,126,000
1850	340,000	1895	6,121,000
1860	674,000	1896	7,540,000

The Pacific Coast department operates successfully under the management of H. K. Belden, who is assisted by Whitney Palache. In this field the company's figures for the past year were as follows: Premiums, \$355,846, a gain of over \$23,000; loss ratio, only 45.5 per cent. California premiums were \$171,683, with a loss ratio of only 45.7. The Hartford stands at the head of the other-State companies in California premiums, and is at the head of both foreign and other-State companies in Coast business written and premiums received.

Montana Mutterings.

The firm of Frary & Hanson at Great Falls has dissolved, and Mr. Frary has associated with him one of the leading attorneys of that city. The new firm is Frary & Burlingame.

Ed. Sexton, for the past two years employed in the Compact office in Denver, has accepted a position with Manager Gilbert in the Butte office.

Assistant Parkhurst of the Butte Compact office is taking a vacation, and has gone to visit his old home and friends in California.

Jack Donnell, the son of Capt. Donnell of the Salt Lake Compact, has moved to Butte from Anaconda, and has accepted a position in the Luke agency.

President Allen of the German-American.

At a recent meeting of the directors of the German-American Ins. Co., Ernest L. Allen, the vice-president, was elected president succeeding the late Emil Oelbermann. Louis F. Dommerich, the drygoods merchant, was elected vice-president. President Allen is well known in fire underwriting circles. He is only 46 years old; but he has had a large experience in underwriting, as local, special and manager. Several years ago he was manager of the Royal's Western department at Chicago. For the past two years he has been the active executive officer of the German-American.

"The damage done was so small that we did not claim a loss. Two sprinkler heads opened and extinguished the fire." Thus writes the Elgin Cotton Mills Co., England.

Coast Monthly Fire Insurance Losses.

CALIFORNIA.

Month	1897	1896	1895
January	\$ 126,887	\$ 110,649	\$ 103,457
February	180,981	170,316	140,517
March	335,818	171,648	113,812
First quarter	\$ 643,686	\$ 452,613	\$ 357,786
April	120,452	174,644	315,855
May	268,513	340,151	110,405
June	271,717	231,409	530,976
Second quarter	\$ 660,682	\$ 746,204	\$ 957,236
First six months	\$1,304,371	1,198,617	1,315,022
July	271,317	316,253	372,833
August	209,166	241,133	230,502
September	310,713	211,310	230,821
Third quarter	\$821,196	\$ 798,696	\$ 834,156
October	170,114	253,459	184,206
November	146,993	130,922	174,809
December	176,833	199,623	370,369
Fourth quarter	\$ 493,850	\$ 581,004	\$ 729,384
Last six months	1,315,046	1,382,700	1,563,540
Total of year	2,619,417	2,581,517	2,878,562

ENTIRE COAST.

Month	1897	1896	1895
January	\$ 218,871	\$ 230,220	\$ 245,720
February	358,603	276,403	203,676
March	429,420	356,554	205,927
First quarter	\$1,006,894	\$ 863,177	\$ 835,323
April	196,917	365,936	477,235
May	340,911	385,446	218,059
June	107,120	406,854	613,805
Second quarter	\$ 914,948	\$1,158,236	\$ 1,309,099
First six months	1,951,842	2,021,413	2,144,422
July	439,113	619,166	520,159
August	385,921	403,357	508,829
September	543,050	339,267	379,926
Third quarter	\$1,368,084	\$1,361,790	\$ 1,408,914
October	321,881	427,604	327,275
November	273,069	263,925	206,652
December	273,453	283,031	444,260
Fourth quarter	\$ 868,403	\$ 974,560	\$ 1,068,187
Last six months	2,236,487	2,336,350	2,477,101
Total of year	4,188,329	4,357,763	4,621,523

New York's Congested District.

The New York superintendent of insurance is being urged to require underwriters to report to him the amount of insurance they have at risk in the drygoods or congested district of New York city. Doubt is expressed whether in the event of the burning of this district all the companies could meet their losses. Similar reports are required in Boston and Chicago, where less is at risk.

MARINE.

Pacific Coast Marine Business for 1897 by Agencies.

NAME OF COMPANY	Premiums Received	Losses Paid	Ratio Losses to Premiums
J. B. Levinson			
Fireman's Fund	\$ 187,702	\$ 83,982	44.7
Providence Washington	18,824	12,484	66.3
Ins. Co. of North America	31,368	26,064	83.1
Total Agency	237,894	122,530	51.5
S. D. Ives			
Home Mutual	35,627	26,049	73.1
Balfour, Guthrie & Co.			
British & Foreign	135,511	86,014	63.5
Yangtze Ins. Ass'n Lt.	32,585	55,901	171.5
Total Agency	168,096	141,915	84.4
C. F. Mullins			
Com'l Union Assur. Lt.	58,625	43,037	73.5
Okell, Donnell & Co.			
General Ins. Co.	39,999	57,154	142.8
Gutte & Frank			
Wilhelma	80,582	65,561	81.4
Kosmos	17,548	17,129	97.6
Associated Assur. Co.'s.	69,814	60,637	86.8
Total Agency	167,944	143,327	85.3
Mann & Wilson			
Fonciere	31,968	32,656	102.0
St. Paul	18,416	18,609	101.0
L'Universo	95		
Total Agency	50,479	51,265	101.5
Wm. Greer Harrison			
Thames & Mersey	78,852	80,368	101.9
W. P. Thomas			
New Zealand Ins. Co.	27,620	37,070	134.2
Syz & Co.			
Swiss Marine Ins. Co.'s. Combined	134,551	86,643	64.4
W. H. C. Fowler			
Manheim Ins. Co.	14,636	8,232	56.2
Austrian Phoenix	13,718	24,286	177.0
Prussian Nat'l Ins. Co.	7,892	10,064	128.0
Total Agency	36,156	42,582	117.7
Livingston, Smith & Co.			
Maritime Ins. Co.	56,337	61,594	109.3
Western Assurance Co.	43,759	45,674	104.4
Total Agency	100,096	107,268	107.1
Voss, Conrad & Co.			
Bavarian Lloyd	4,269	3,482	81.5
Frankfort Marine	41,459	27,380	66.0
Total Agency	45,728	30,862	67.5
Totals	\$1,181,676	\$970,070	82.1

Marine Business of California for 1897.

NAME OF COMPANY.	LOCATION.	Present Secretaries and Agents.	Risks Written.	Premiums on Same.	Losses Paid.	Ratio Losses To Prem's.
Local Companies.						
Fireman's Fund	San Francisco	J. B. Levison	\$15,535,116	\$154,924	\$79,686	50.1
Home Mutual	San Francisco	S. D. Ives	1,351,344	35,627	26,049	73.1
Total 1897			16,886,460	190,551	105,735	55.5
Total 1896			14,159,304	179,582	126,002	70.2
Total 1895			12,323,255	200,419	143,713	71.7
Eastern and Foreign.						
+Associated Assur' Cos	Germany . .	Gutte & Frank	5,905,109	69,815	60,637	86.8
Alliance Marine	London . . .	J. J. Moore & Co. . . .	3,031,667	33,810	21,827	64.6
Austrian Phoenix	Vieenna . . .	W. H. C. Fowler	736,503	12,849	24,286	189.0
Bavarian Lloyd	Munich . . .	Voss, Conrad & Co. . . .	846,926	4,269	3,482	81.6
Boston Marine	Boston	H. J. Knowles	322,333	10,019	19	00.2
British & For'n Marine	Liverpool . .	Balfour, Guthrie & Co. . .	15,962,549	117,033	85,754	73.3
Canton	Hong Kong . .	Parrott & Co.	6,773,642	50,528	34,639	68.5
Chai On	Hong Kong . .	Kwong Yeck & Co.	103,715	414		
China Traders	Hong Kong . .	Williams, Dimond & Co . .	2,482,152	9,048	2,743	30.2
Commercial Union	London	C. F. Mullins	4,371,672	42,522	39,757	93.5
Fonciere	Paris	Mann & Wilson	4,568,561	31,968	32,656	102.0
Frankfort Marine	Frankfort, Ger	Voss, Conrad & Co. . . .	4,563,415	41,459	27,380	66.0
General	Trieste	Okell, Donnell & Co. . . .	4,042,835	39,999	57,154	142.8
Indemnity Mut'l Marine	London	E. C. Evans	1,550,600	28,659	13,684	47.7
Ins. Co. of N. America	Philadelphia .	W. J. Dutton	2,053,384	27,621	25,670	93.3
Kosmos	Hamburg . . .	Gutte & Frank	776,635	17,548	17,129	97.6
London	London	H. M. Newhall & Co. . . .	4,805,306	40,102	53,334	133.0
London & Prov'l Marine	London	Girvin & Eyre	1,846,962	27,142	23,064	84.9
Mannheim	Mannheim . . .	W. H. C. Fowler	2,267,412	12,091	8,232	68.1
Mau On	Hong Kong . .	Wing, Tuck & Co.	453,954	2,027	250	12.3
Marine	London	G. W. McNear	4,452,159	64,492	31,733	49.2
Maritime	Liverpool . . .	Livingston, Smith & Co . .	2,747,016	56,337	61,594	109.3
Nippon Sea	London	Parrott & Co.	811,519	21,154	7,706	36.4
New Zealand	Auckland . . .	W. P. Thomas	2,241,097	26,625	36,908	138.6
North China	Shanghai . . .	Macondray & Co.	9,703,745	28,102	25,631	91.2
Ocean Marine	London	H. M. Newhall & Co. . . .	5,387,646	31,943	31,689	99.2
On Tai	Hong Kong . .	Wing, Chong Wo & Co. . .	240,508	379	37	09.8
Po On	Hong Kong . .	Lui Mon	198,454	768		
Providence Wash'gton	Providence, R. I.	W. J. Dutton	1,060,435	16,164	12,091	74.8
Prussian National	Stettin	W. H. C. Fowler	980,711	7,594	10,064	132.5
Reliance Marine	Liverpool . . .	Henry Lund & Co.	1,601,265	25,208	32,257	128.0
Sea	Liverpool . . .	Meyer, Wilson & Co. . . .	1,592,075	24,522	3,565	14.5
Standard Marine	Liverpool . . .	J. D. Spreckels & Bros . .	10,432,130	80,818	60,250	85.7
St. Paul F. & M.	St. Paul	Mann & Wilson	736,805	17,836	17,679	102.0
+Swiss Marine Comb'd	Switzerland . .	Syz & Co.	30,290,898	134,551	86,643	64.4
Thames & Mersey	Liverpool . . .	Wm. G. Harrison	4,533,461	71,334	79,953	112.1
Tokio Marine	Tokio	M. A. Newell	3,121,320	65,436	28,865	44.1
Transatlantic Marine . . .	Berlin	Thannhauser & Co.	2,512,355	15,805	9,670	61.2
Union Marine	Liverpool . . .	E. L. Woods	1,765,608	27,019	22,734	84.1
United States Lloyds . . .	New York . . .	R. B. Hooper	9,159,894	14,739	13,327	90.4
Universo Marine	Milan, Italy . .	Mann & Wilson	17,058	95		
Wilhelma	Magdeburg . . .	Gutte & Frank	8,643,126	80,582	65,561	81.4
Western	Toronto	Livingston, Smith & Co . .	1,621,416	40,458	35,615	88.0
Yangtze	Shanghai . . .	Balfour, Guthrie & Co . .	5,986,544	32,585	55,901	171.5
Total 1897 (non-res'd't)			177,292,577	1,503,469	1,270,179	84.5
Total 1896 " "			140,392,569	1,245,260	686,589	55.1
Total 1895 " "			115,713,868	1,048,897	744,048	70.9
Grand Total 1897			194,179,037	1,694,020	1,375,914	81.2
Grand Total 1896			154,551,873	1,424,842	812,591	57.0
Grand Total 1895			127,937,123	1,249,316	887,761	71.0

+Composed of Alliance of Berlin and Munich of Munich, vetia General and Baloise.

+Composed of Switzerland Marine, Hel-

Marine Business for 1897.

At the end of 1896 we commented upon the condition of the marine insurance business on the Pacific Coast and closed our article with the following words: "Taking it all in all, the outlook for conservative marine underwriting on this Coast is most discouraging"; and the preliminary figures filed with the California insurance department showing the result for 1897, more than carries out what was stated at that time.

While it is rather premature to give exact figures, we are inclined to think that the average ratio of losses to premiums will not be far from 100 per cent., and this, notwithstanding the fact that the number of casualties has not been excessive, in fact, quite the reverse. Rates appear to be going lower and lower and companies are giving away more and more on conditions, etc., even though the character of vessels employed in our coasting business does not improve, and the voyages are becoming in a measure more hazardous than ever. By this we refer particularly to the Alaska business, which promises to be productive of a very large share of the marine premiums for 1898, and doubtless even a larger share of the losses.

The past year has been remarkable for the comparatively small number of casualties, but the large amounts involved.

The *Androsa* with general cargo from San Francisco to Liverpool cost the San Francisco underwriters over \$350,000; the *Francis* from San Francisco to New York, \$210,000; and the *Commodore* from Honolulu to New York, \$220,000. In addition to these, there were the *Ulrica* with wheat to the United Kingdom, the *John O'Gaunt* with nitrate from South America to San Francisco, and the *Mexico* in the Alaska trade—\$60,000 each. These were the principal losses for the year. The foreign steamers escaped remarkably, especially when compared with 1896. On the other hand, our coasting steamer fleet sustained its bad record. The *Willapa*, *Yaquina*, *Mexico* (above noted), *Cuspar*, *Truckee*, *Moro* and *Cleveland* make up

a list which surely justifies higher rates than underwriters are now getting.

A few years ago the statement was frequently made that marine rates were higher in San Francisco than in any other part of the world. We think we are justified now in saying that just the reverse is the case, and that certain classes of business can be placed in San Francisco for less than anywhere else. What the home offices of some of the companies represented in California are thinking of in permitting their agents to continue this ruinous and suicidal policy of rate cutting is something which we cannot comprehend.

Another condition which has no doubt contributed somewhat to the present demoralized condition of the marine business is the re-establishment of fire rates, as irresponsible brokers who find themselves unable to secure business other than by cutting of rates have turned their attention to the marine business, and, unfortunately, only too often find agents of companies ready and willing to back them up.

It is currently rumored on the street that one marine company has already withdrawn, as a result of the heavy losses, and that several more are about to follow; and we now venture the prophecy that unless marine underwriters in San Francisco take steps to improve the general condition of the business, another twelve months will see fewer companies by far represented in California than at present.

The following are the principal total losses for the year 1897:

Wheat and general cargo to the United Kingdom, *Ulrica* and *Androsa*.

Nitrate from South America to San Francisco, *John O'Gaunt*.

Coal from Australia, *Leahi* and *Nomantum*.

Lumber, *Villalta*, *Duncow*, *Kinkora* and *Rosalie*.

Coal from Puget Sound, *Samaria*.

Vessels in the Alaska trade and sealing, *Willapa*, *Sapphire*, *Gen. Siglin*, *Maude S.*, *Agnes Macdonald*, *Therese*, *Mexico* and *Hucucme*.

New York, general cargo, *Francis*, sugar, *Commodore*.

Coasting schooners, *Orion*, *Elnorah*, *Annie Gee*, *Aida* and *Vesta*.

Coasting steamers, *Yaquina*, *Caspar*, *Truckee*, *Moro*, *Cleveland*.

Falls of Dee from Hong Kong (practically a total loss from fire in San Francisco harbor, loss not yet settled), and *Taymount*, now given up as lost from Liverpool.

In addition to these, we have the fleet of whalers reported crushed in the ice in the Arctic ocean, but because of the fact that the underwriters have been unable to get any definite information they have not, so we are informed, been included. If these reports should be verified, the loss to San Francisco underwriters will probably be \$150,000 or more.

Since the above was written, the figures of the commissioner have been completed, and show an average loss ratio of 81 per cent. for the American and foreign companies. A careful examination of the figures warrants the statement that some of the offices do not understand the requirements of the law, and that losses paid abroad are not included in their report. We are credibly informed that a number of foreign agencies are not advised by their home offices of the losses paid on policies written in California, and others, while taking credit for total premiums written in California, deduct amounts collected from foreign reinsurers in making their returns of losses. We believe that all of the leading companies or offices make their returns in accordance with the requirements, but a sufficient number do not to still warrant our original statement that the average loss ratio for 1897 was fully 100 per cent.

Why Not?

The *Philadelphia Intelligencer* urges the organization of an American reinsurance company. As foreign reinsurance companies have always made money in America, there would seem to be good reasons for the creation of a reinsurer at home. The foreign reinsurer, however, has greater facilities for reinsuring a part of its own business, as is the usual practice and seeming necessity.

The *Chronicle's* holiday number is neat and full of meat.

UNCLASSIFIED.

Pacific Coast Fire Business in 1897.

By holding our forms open two or three days longer than usual, we are able to send out the total Coast fire figures with this number. Our readers will welcome these earlier fire and other figures, we are sure, preferring them late in January to early in February.

The totals show an improved state of affairs in San Francisco and California at large and in the outside territory as well. Of the total gain of nearly \$1,021,000 in Coast premiums, \$320,058 is to be credited to San Francisco, \$634,414 to the remainder of the State, and \$66,528 to the outside territory. Three or four companies whose outside figures are not yet at hand will swell the outside gain to \$100,000 at least.

San Francisco premiums are still \$700,000 below the normal, owing to the long term business chiefly. Outside California premiums are a million and a quarter less than they should be, for the same reason. Fortunately losses were light in the metropolis last year, and the average loss ratio of 70 per cent. for "the interior" was able to bring up the general California average to only 55 per cent. of the premiums. Had the usual fire losses occurred in San Francisco the results would have been much worse. As it is, they leave a little margin to the good on the State business.

The usual condition of things has been reversed, as regards California and the outside Coast business. The low loss ratio last year must be credited to the same outside territory which in former years, before "the war," materially increased the average loss ratio. The loss ratio outside of California was only 43 per cent. Prosperity has been "waving," and losses have been light in the Pacific West generally.

The foreign companies have experienced the lowest loss ratio, both in California and on the Coast as a whole. They increased their premiums about 16 per cent. and the American companies in-

ereased their premiums about 13 per cent.

The Fireman's Fund ranks first in both California and Coast premiums. The Hartford ranks first in Coast premiums, excepting the home company. The London & Lancashire ranks first in San Francisco premiums, and first among non-resident companies in California premiums, and first among foreign companies in Coast premiums. The Liverpool & London & Globe ranks first among foreign companies in amount written.

With this, in the form of a supplement, we present our readers with a table of California and Coast fire figures for 1897.

California Life Business in 1897.

We print elsewhere a table of California life insurance business during the past year. It shows better results than that for the preceding year, but in new business the totals are still far below the high-water-mark prosperity year 1892. But business has at last turned and is moving upward. The four years '93, '94, '95 and '96 were all descending, times growing harder and new business growing less. Last year the amount of new business gained \$3,300,000; new premiums were nearly \$200,000 more; and over 1,100 more new policies were written; and insurance in force gained \$4,200,000.

The Equitable leads this time in new business, the New York Life is second, the Mutual Life third, the Pacific Mutual fourth, and the Northwestern Mutual fifth. The Ætna, Connecticut, Equitable, Home, National, New England, New York, Phoenix, Provident Savings, Union Central, Union Mutual and Washington gained in new business. In insurance in force the Mutual leads with \$26,533,244, a gain of over half a million. The companies generally increased their insurance in force in this State. Over two million dollars losses and endowments were paid California claimants during the year.

Suicide and Life Insurance.

The United States supreme court, in the Runk suicide case, recently ruled that when a life company contracts to insure a man's life, neither party can be sup-

posed to have suicide in contemplation. "To insure against suicide is against public policy and will not be allowed." "No insured person committing suicide and found to be of sound mind can recover upon his policy." This is an important ruling, and the full decision is awaited with much interest.

The Pacific Mutual's Very Prosperous Year.

The Pacific Mutual Life Insurance Company of San Francisco shares liberally in the increased prosperity of the past year. Progress was made in all departments. All the totals in the annual statement are larger and testify to a healthy growth of business.

The assets, in round numbers, are now \$3,259,500, a gain of \$175,500. The surplus is \$290,500, a gain of \$37,300. The income was \$1,156,500, and the expenditures were \$1,009,600. The excess of income over disbursements was \$146,886, dealing with exact figures.

Very creditable gains were made. To the assets, \$175,500 was added. The income increased \$79,466. Interest increased \$10,907. Insurance in force, exclusive of industrial business, increased \$1,359,692. New business written, exclusive of industrial writings, gained \$417,945. Dividends to policyholders increased a goodly sum also; and the gain in legal reserve was \$124,826. Here at home, in California, an increased amount of new business was written by Messrs. Kilgarif & Beaver, the general agents, and the gains in policies and amount in force are noteworthy.

Life Policies Not Taxable.

Indiana tax-eaters tried to tax life policies, but the supreme court said nay. The reserve sought to be taxed already pays taxes. The New York Life assumed the burden of this test case, employing Finch & Finch and other able attorneys. All honor to the New York Life!

BETTER a doorkeeper in the tent of an insurance department than a dweller in an insurance journal house.

Munich Reinsurance Co.'s 17th Annual Report.

We have before us the report of the board of directors, which gives quite interesting figures.

The gross income of this large company was \$11,297,818.20, of which \$3,753,166.26 was paid out for reinsurance, \$6,503,461.64 for losses and expenses, leaving a profit of \$1,041,190.30 over outgo. The assets show \$5,032,890.85. The liabilities, after providing very liberally for all possible contingencies, \$6,830,902.82, showing a net surplus of \$1,201,988.03 over and above everything, a result very gratifying to Director Thieme, who has guided the company's interests since its organization seventeen years ago.

The Munich Reinsurance is represented in this field in the agency of Gutte & Frank, who write a joint policy (for marine) with the Alliance under the name of the Associated Assurance Companies.

Local Retrospect.

JANUARY.—The St. Paul entered Oregon. Gov. Budd of California recommended that foreign companies be required to pay a "proper tax, regulated by the amount of business," and also provide "proper security." It seems "proper" for us to add that the governor is not a student of insurance, and was ill advised in this matter. The Sun appointed W. J. Callingham general agent. The Scottish Union & National appointed R. C. Medcraft general agent. The Imperial and Lion doubled their lines. Rate war at Santa Cruz, Cal.: house-to-house canvass, general cancellation, and policies written at 90 per cent. of tariff rates: because local agents would not be content with 15 per cent. commission. Much indignation in Portland over the acquittal of the Wolfs, charged with arson.

FEBRUARY.—English-American Underwriters began writing on the Coast. Hagan Bros. non-suited, in their case against the Phoenix. Coast headquarters of the Standard Life and Accident transferred from Portland to San Francisco. Ex-Fire Marshal Durkee died aged 70. John T. Fogarty made superintendent of agencies for Royal and Queen. A. M. Shields appointed Coast manager of Equitable Life. Annual meeting Fire Underwriters' Association of the Pacific. German Alliance admitted to California. German Alliance Insurance Association began writing on the Coast.

MARCH.—George L. North appointed Coast

manager for Provident Savings Life. Bill authorizing a paid fire department at San Francisco became a law. So far only the officers' salaries have become a law. Leslie A. Wright appointed assistant general agent of the Sun. Metropolitan board organized in San Francisco. Fred W. Krause, San Francisco marine manager for Western Assurance, died. Rudolph Herold, Jr., appointed harbor commissioner. Marvin R. Higgins, insurance commissioner, resigned, and accepted position of general superintendent of Pacific Mutual Life. Manager Fowler of the Preferred Accident died. President McCall of the New York Life formally banqueted by California agents.

APRIL.—The notorious Jacob Wolf of Portland brought suit at Portland against four offices for \$50,000 alleged damages to his precious character, the evidence having been insufficient, under court ruling, to convict him of arson. This case was recently tried, and though the court made astounding instructions for the plaintiff, the jury refused to award Wolf a cent of damages. California deposit law amended to allow "retaliatory" deposits in interest-bearing California bonds in lieu of National bonds. Fire patrol law passed at Sacramento, requiring all companies to contribute to the support of underwriters' fire patrol. Work begun on the Alliance new building in San Francisco. New law in Washington, anti-compact and pro-arson. Two new laws in Montana. Two new laws in New Mexico. Valued policy bill defeated in British Columbia. County mutual law in California. Rates restored on the Coast. Union of San Francisco finally wound up.

MAY.—Under ruling of court the jury in Mary Berliner v. Travelers gave defendant a verdict. Geo. Berliner, husband, insured in the Travelers, was killed in Mexico. He accepted the invitation of the engineer to take a ride on the locomotive. It was ditched and Berliner was killed. The Travelers refused to pay the widow a cent, because the insured was riding on the engine instead of a passenger coach. We believe the Travelers is the only accident company in the world that would refuse to pay the widow at least the amount of insurance which the premium would pay for the hazard of an engineer. Colorado resident agents law vetoed. New England Burglary reinsured its Coast business in the Fidelity & Casualty. Thomas Godwin appointed manager Coast department Preferred Accident. Geo. C. Pratt appointed manager Pacific department Union Central

Life. A. J. Clunie appointed California insurance commissioner—for five years.

JUNE.—Royal bought the Pacific Bank building, San Francisco. *Chronicle*, San Francisco, sued in New York by Walter Burns, solicitor, for alleged libel. F. A. Houseworth appointed general agent for Pacific Mutual for southern California. Bankers Alliance, Los Angeles, reorganized. The ejected management went to Denver and started an assessment insurance scheme. Equitable Indemnity of Seattle bursted. Montana State board tangle straightened out. The California insurance department began writing inquiring letters to San Francisco insurance men. National Standard and Assur. Co. of America entered California. The Washington Insurance Association organized.

JULY.—Supreme court of California held the insurance commissioner responsible for department moneys deposited in a bursted bank. Hiram K. Rogers, with his life insured, disappeared mysteriously from a coast steamer. Great Alaska gold fever. First county fire mutual organized in California, at Paso Robles. Eighteenth anniversary of the firm of Butler & Haldan. Conference at Denver. Hawaiian premiums reported at \$158,771, a gain of \$11,000.

AUGUST.—A. P. Sinclair died. Agricultural returned to the Coast and appointed Edward Brown & Son general agents. One "Capt." L. Crowell issued a lot of bogus marine policies at San Diego.

SEPTEMBER.—Clunie, and the Home of Utah, browned on *The Coast Review* spit. Benjamin J. Smith appointed Coast manager for the Connecticut Fire, assuming charge October 1. Announcement of the organization of the Pacific Underwriters, for the writing of sprinklered risks, by the Fireman's Fund and Home Mutual. The British America and Western rejoined the Board. *Journal of Investment* exposed. N. T. James appointed surveyor of Voss, Conrad & Co.'s marine department. Boston Marine began writing fire risks in California's larger cities. Guarantors Finance Co. entered California and appointed Arthur C. Donnell general agent. Attorney-General Fitzgerald gave a decision adverse to the California insurance commissioner. The well known Los Angeles local, Dalton Wheeler, died. Manager C. F. Mullins read a paper before Chicago underwriters, printed in the *October Coast Review*.

OCTOBER.—Assets of the defunct State Ins. Co. awarded to Oregon and Idaho claimants. Hugh Craig resigned the general agency of

the New Zealand and was succeeded by W. P. Thomas. H. C. Keller of Kansas City appointed general agent of Westchester Fire, succeeding D. A. Spencer, resigned. Royal and Queen moved into the Royal Insurance Building. Underwriters' fire patrol station No. 2, corner of Eddy and Polk streets, re-established. McGrew Hawaii case decided against the Mutual Life. Firm of Delger & McCargar established. Pacific Mutual began the issuance of a health and accident policy. The Colorado supreme court held that the warranty of 100 feet clear space was not waived by the local's acceptance of an additional premium at the mill rate. E. T. Niebling, senior special agent for the Commercial Union and Alliance, promoted and removed from Portland to San Francisco. New credit rule of the Board pronounced a perfect success. R. A. Diver, a San Francisco life insurance solicitor, took poison and died. Gerald M. Fennell convicted of rebating and suspended for one year.

NOVEMBER.—The Royal's Hawaiian agency added to the Pacific Coast department. Board of Fire Underwriters of Salt Lake City organized. Farmers Fire Relief Association organized at Sublimity, Or. Paul Nippert, Home and Phoenix special, resigned on account of ill health.

DECEMBER.—The Merchants of New Jersey established a general agency in San Francisco, with G. W. McNear as general agent and R. M. Buckman as supervising special agent. P. de S. Olney appointed compact manager at Portland. San Francisco Life Underwriters' annual dinner. D. B. Wilson appointed general adjuster for the Pacific department of the Royal and Queen. Law Union & Crown appointed Catton, Bell & Co. general agents for the Pacific Coast. American of Boston entered California and appointed Baggs & Stovel general agents.

A Proper Paper Currency.

"No statement can be more apparently trite and unnecessary than this: That the distinguishing characteristic of a paper currency, because its only source of value, is that it is a *credit* currency."

This is the opening statement of an able address on "A Proper Paper Currency," delivered before the Hartford Board of Trade, by President Jacob L. Greene of the Connecticut Mutual Life Ins. Co. Mr. Greene's conclusions are that the greenbacks should be called in and canceled and that our paper currency should be based on a system similar to

that of Canada. The Canadian bank currency is based on assets, secured by a first lien on them, and made instantly redeemable by a separate redemption fund maintained by the banks under legal requirements.

Mr. Greene's views are entitled to much weight. We quote some characteristic sentences: "Government is the organized instrument of a people in their political capacity only, and for the accomplishment of political purposes. Trade is not a political act or matter." "Property precedes and creates credit. Credit which precedes property is speculation." "A government currency has behind it only that margin of the wealth of the country which can be extorted by taxation for the purpose of currency redemption." "The present bank currency scheme is unnatural, forced, temporary, and finally dangerous."

The currency subject is of grave concern. All kinds of business must suffer as long as the National currency is a debatable question in politics.

BOSTON FIRE BUSINESS.—The *Standard* gives the following Boston totals for the past 24 years: Premiums, \$56,052,399; losses, 50 per cent.; expenses, 40 per cent.; balance, \$5,124,018; reinsurance reserve on January 1, \$4,227,191; profit 24 years' fire underwriting, \$896,827, or 1½ per cent. Still, the *Bostonian* cries for lower rates.

If I were to make the assertion here that many rates were too high, most of you would regard that as a novel proposition to be argued before an insurance meeting; but if I stated the converse of this, that many rates were too low, it would appear to you as a very proper sentiment, and have your entire approval. However, one of these statements is as true as the other, the difference is that we have long been accustomed to the idea that rates should be advanced; we have been in the habit of curing all the ills of the insurance business by raising rates, and the art and necessity of reducing rates have had little or no attention at our hands.—Irvin.

The *Etna* is a very readable company paper. Recently it began its thirty-first year. Here is a curious editorial utterance which appears under the head of "The Worry Hazard in Life Insurance": It is a trite remark that "every sigh costs a drop of blood," which may or may not be a physiological fact. But we deem it true that the grumblers and growlers of life cannot be as good physical risks for life insurance as the good natured and cheerful.

Calendars Received.

The New England Mutual Life Ins. Co.'s calendar this year has "Washington at Valley Forge" for its subject. The central picture is a fine portrait of the Commander of the Continental Army. Beneath is a sketch of Washington's headquarters. Accompanying the calendar is a monograph by President Benj. F. Stevens, "A Chapter of Revolutionary History." It gives an account of the treachery of Rev. Jacob Duche, the first chaplain of the Continental Congress, and also an account of the Conway Cabal. In the calendar Washington is represented as having just read traitor Rector Duche's letter inviting him to turn traitor also. This "Chapter" is very interesting; and many Americans will first read in it the Duche letter.

The National Life Ins. Co.'s calendar for 1898 has for its pictorial subject "Election Day," but it is a "day" in Vermont one hundred years ago—a gala day indeed, with the candidate on horseback, saluting the citizens, preceded by a drum corps and followed by school-girls, the militia, etc.

"The Historic Missions of California," by Lucy M. Craig, is the title of the handsome calendar got out this year by Manager Pope of the Pennsylvania Fire Insurance Company. It is a beauty, and will be preserved long after the monthly dates in the corner have ceased to be fresh fruit.

The Equitable Life's calendar is a three-leaved folder, illustrated and embossed, with appropriate remarks on "why," "when" and "where" to insure. At the bottom is printed: Agency—California, Nevada and Hawaiian Islands. A. M. Shields, manager, Edwin Cramer, cashier.

General Agent Walter Speyer of the North German Fire issues a handsome calendar with monthly date sheets attached. A large part of the surface is taken up by an attractive picture. The back has the fire alarm boxes of San Francisco.

The Prudential's calendar is a dainty affair for a Gibraltar giant. The dates are in clusters in the midst of flowers and leaves appropriate to the season. The Prudential always does things well.

The United States Life presents its calendar in the agreeable form of a Christmas number of the *Ingleside*. The selections are generally good and the illustrations by Alice Morlan and others excel.

The calendar of the industrial department of the Life Insurance Company of Virginia is a bright-colored affair, with a picture of a boy giving a girl a cup of water.

The New Zealand Ins. Co. sends out a six-card monthly calendar, in an open-faced case, for the desk. On the back, for reference purposes, are '97 and '98 yearly calendars.

The Metropolitan Life's calendar is very pretty. Four little girls are pictured as singing "Metropolitan Notes" of joy.

Fire Underwriters Inspection Bureau.

During the past year this bureau effected 8,532 changes in San Francisco hazards, and inspected 21,251 buildings and 3,997 electrical installations. The number of preventable fires, as a result of the bureau's work, was only 7 per cent. of whole. The careful investigation of the causes of all fires is proving of great value, by securing timely changes and reforms in the premises. The water-works company have notified the bureau of the addition of 208 hydrants, making a total of 3,500. The water supply has been improved, notably by the large mains placed in Davis, Front, Bush and Stuart streets. The working force of the bureau now includes the chief inspector, five inspectors and one clerk. The officers and directors are the same as those of the patrol. F. H. Porter is chief inspector.

Fire Patrol's Twenty-Third Annual Report.

The directors of the Underwriters Fire Patrol of San Francisco have issued their annual report very promptly. They pronounce the patrol in first-class condition, station 2 having been restored to service. The headquarters, or station 1, on Jessie street, are being enlarged and improved, in order to meet additional requirements. At the annual meeting President Laton was re-elected for the twenty-third time and Secretary Rudolph Herold, Jr., for the eleventh time. The directors for the ensuing year were re-elected, as follows: Chas. A. Laton, president; John Scott Wilson, vice president; Rudolph Herold, Jr., secretary and treasurer; Geo. W. Spencer, William Macdonald, Arthur E. Magill, V. Carus Driffield.

The largest loss for the year was \$114,553; second, \$92,500 (ship); third, \$82,087. There were 215 fires with losses less than \$100, and 156 fires with losses less than \$1,000. The total losses were only \$811,839. The city was very fortunate in the matter of fires.

THE NATIONAL LIFE of Vermont wrote nearly \$14,000,000 new business last year. Its assets on January 1 were \$14,826,992, and its insurance in force was \$76,663,000.

Salt Lake City Statistics of Fire Department.

Estimated value of buildings and contents, \$1,691,290; insurance involved, \$1,185,845; insurance paid, \$113,807; actual loss and damage to properties, \$122,168; loss and damage over insurance, \$8,361; number of alarms, 93; distance traveled by the department in answering alarms, 257 miles; number of feet of hose stretched, 29,700; entire time in service during the year, attending fires, 96 hours, 35 minutes; number of men in the department, 27; expense of the department for 1897, for salaries, \$23,122.81; for supplies for No. 2 house, \$1,236.98; for supplies for headquarters, \$4,954; total expense for the year, \$29,375.72; new hydrants placed, 9; total number of hydrants, 897; total length of water mains, 126 miles, 1,628 feet; average pressure at hydrants, 88 pounds.

The losses for 1897 were greater than any year since 1893.

The Scott-Auerbach fire loss amounted to \$80,721.14. Salt Lake City has the smallest paid fire department of any city of its size and importance in the United States.

OMAHA Hunter lost his \$40,000 suit against the Union Life.

THE Life Ins. Clearing Co. of St. Paul is impaired \$67,000.

THE Hillmon swindle case comes up once more, next month.

THE Equitable wrote over \$150,000,000 new business last year.

THE Toronto board of trade has abandoned its assessment insurance scheme.

THE Phoenix Mutual Life wrote over \$11,000,000 in 1897, a gain of some \$2,000,000.

THE Colorado department of the Equitable is now under the management of Seeman & McMillan, with Wyoming added.

DO NOT think that years leave us and find us the same.—*Meredith*. Perhaps when Owen wrote this he had just failed to pass a medical examination for life insurance.

INSURANCE, if based on sound principles, enables the husband and father, in token of his pure and holy love for wife and children, to shower on them, even after death has called him across the river, continued evidence of his love and tender care. It has lighted many a dark and dreary journey, and has made smooth many a rough and rugged way.—*Clarence M. Smith*.

Chips.

—The Germania Fire of Milwaukee is the latest annex.

—The Commercial Union has reinsured the Arkansas Fire.

—The Imperial has opened a Cook county department at Chicago.

—President George L. Chase of the Hartford will visit San Francisco in a few days.

—The new firm of Baggs & Stovel have offices at 313 Sansome street, San Francisco.

—Charles A. Laton has been appointed Coast agent for the Traders, dating from January 1.

—Special Agent Boardman of the Etna is in Oregon, staging it into the Coos Bay district.

—The largest fire in this country last year was in Pittsburg. The loss was about \$3,500,000.

—If you have an August *Coast Review* not wanted send it to this office where it is wanted.

—GOOD-BYE.—Plunger Armstrong is in the saddle once more, as president of the Manhattan Fire.

—The McCarthy Co., San Francisco, real estate (E. Avery McC.) agents, have been appointed agents for the Merchants of Newark.

—Adam Wilhelm Jr., Monroe, Benton county, is a recent Sun appointment. Wilhelm Sr. is one of the leading business men of the county.

—H. McD. Spencer, supt. of agencies for L. B. Edwards, is visiting the Hawaiian Island in the interest of his companies. Mr. Spencer is authorized by the Hawaiian Islands committee to appear before the Honolulu Board of Fire Underwriters and urge the special rating of Hilo and other outside points.

—James Wyper of Chicago, special agent in the Middle West for the Union Assurance Society and the Law Crown, both of London and the Victoria of New York, visited California this month in the interest of the Victoria. Mr. Wyper appointed Davis & Henry general agents for the Victoria, and this New York company will begin business in this field about February 1st. The Victoria was organized about a year ago and has a paid up capital of \$200,000 with about \$50,000 net surplus. Hall & Henshaw of New York are the managers of the Victoria as well as United States managers of the Union Assurance and the Law Crown.

—We have become a Pencil-vain-ian since the Pacific Surety remembered us with its holiday present of a box of rubber-tipped mottled pencils.

—The Phoenix Mutual's naval battles calendar is handsome, historical, heroic—and hard to get, owing to the demand. We mourn an oversight.

—State fire, life and accident insurance is offered only in monarchical countries, excepting Switzerland. It is an admitted failure everywhere.

—Max Lipschuetz, of the arson society at Colfax, Colo., has been convicted, making the sixth. Four others are in the penitentiary, Kortz's, Zonlinski, et al.

—Hon. T. T. Bridges, member of the Oregon legislature from Drain, Douglas county, and a prominent business man, has been appointed agent for the Sun, by Special Agent Street.

—The Union Mutual Life offices in San Francisco have recently been over-hauled, re-modeled and re-fitted: and are now in first-class shape—both convenient and attractive.

—The Equitable Life has just put on the market a new gold debenture or bond policy, based on a $3\frac{1}{2}$ per cent. interest reserve. Every debenture carries forty coupons for \$25 each.

—James C. Cunningham of Spokane, Wash., has been appointed special agent and adjuster for the American Central and St. Paul in the Northwest, with headquarters at Spokane, Wash.

—The Phoenix of London has also withdrawn from bleeding Kansas, because of McNall's dishonest and annoying practices. The companies should withdraw in a body from the State.

—"Depend upon it, where there's smoke there's fire." "Why do you say that?" "I've proved it. It was against the rules to smoke in our office. I smoked, and was fired."—*Philadelphia N. A.*

—BLAGDEN.—The Royal Exchange has appointed Samuel P. Blagden and F. W. Stillman of the New York metropolitan district. They have leased large offices at the corner of Pine and Williams streets.

—The Pacific Coast agency of the Washington Life Insurance Company increased its new business in 1897 over one hundred per cent. over its business in 1896. We congratulate Major Day on these results.

—January opened up "warm" in California.

—Greater New York's debt is nearly \$250,000,000.

—The Magdeburg Building, 71 William street, New York city, is an assured fact.

—The daily average population of a large New York insurance building is said to be 4,700.

—W. T. Macy, county auditor, McMinnville, Or., has been appointed agent for the Orient.

—Commodore Gutte of Gutte & Frank was elected a charter freeholder at the recent election in San Francisco.

—The Sonoma County Farmers Mutual Fire of Santa Rosa, Cal., will find the climate changing and "cold frosts" frequent.

—FIRST AS USUAL.—Gutte & Frank of the Magdeburg were the first to send in their California and Coast figures for the Coast Review Supplement.

—A Los Angeles widow has just secured judgment against the defunct Mass. Mutual Benefit. If her husband had read *The Coast Review* he might have been insured.

—The Coast department of the Atlas presents its friends with a vest pocket diary, into the outside pages of which a whole lot of valuable miscellaneous information has been crowded.

—The Munich Reinsurance Co. has \$8,032,890 assets, of which \$1,201,988 is net surplus. Gross premiums for the year ending June 30 were \$11,297,818. Net premiums were \$7,544,632, and net losses were \$4,295,524.

—KNEW BEST.—The cereal company at Akron, O., thought that one-half the tariff rate was sufficient for its million of insurance, and then the underwriters thought so too. Underwriting talent is not confined to underwriters.

—John Renehan, a well known Yonkers insurance agent, died recently of blood poisoning from having cut a corn with a knife which he had used to sharpen an indelible lead pencil. Here's a pointer: Let your fruit and pencil knives remain total strangers to your favorite corn knife.—*Insurance Age*.

—Paul Nippert, who is rusticiating in Oregon, will be greatly surprised to learn, on the authority of "X" in the *Standard*, that he is the victim of "century runs" on the bicycle. If the correspondent had seen Paul play baseball in Golden Gate park, the explanation of the illness might have been different and equally true.

—Uriah B. Wilson, Denver, has been appointed agent for the Hamburg-Underwriters.

—DENVER.—G. B. Armitage died last month. Benedict & Gill succeed Thompson & Benedict.

—UTAH.—Foreign offices doing business in Utah hereafter must have \$200,000 deposited in some State.

—W. A. Buchanan, Corvallis, Or., county treasurer and school district clerk, was appointed agent for the Sun, by Special Agent Street, last week.

—A local who represents the several kinds of insurance companies sends us a copy of his "ad" in a home paper. We find it objectionable because he wastes space in repeating "insurance" in display type. Why not say once for all, in a prominent way, "Insurance—All Kinds," with similar prominence for the name of the agent? The details, which are of minor importance, should be bunched in small type.

—Two dwellings thirty or forty feet apart, belonging to one man, in a Coast town, were discovered to be burning simultaneously. The two insurers promptly paid. The owner will build again—elsewhere. Now the people of this Pacific town are grumbling because the companies paid for an incendiary fire. But if the companies had resisted, these people would have echoed the local paper's criticisms and the jury would have returned a verdict accordingly.

—ENCOURAGING TO VOLUNTEERS.—Biloxi has one fire company made up entirely of volunteer members. The city government furnishes this company with their engine and equipment. In November last a fire occurred in a kitchen to which the fire company promptly repaired, but the necessary water to enable it to put the engine into operation could not be obtained. Whereupon the firemen proceeded to pull down the kitchen building and thus saved the main house. At the next meeting of the city council of Biloxi the matter was taken up and discussed. The council were dissatisfied with the fact that their engine was not worked. It seems that the lack of water was not considered as sufficient excuse for the failure of the fire company to put the machine into operation, and by a majority vote of that august body, the company was fined \$50 for this failure.—*Indicator, N. O.*

—Col. Carey, representing the Northwestern Mutual Life Ins. Co. in Virginia, who has been the president of the association of the general agents of the company since it was organized, died on January 13.

—Sensational Preacher Myron Reed of Denver is credited with this pulpit utterance: "I always rejoice when I hear of a fire, for it gives workmen a chance to clear away the ruins and rebuild." There's a thinker for you!

—The Sun's Cottage Grove, Ore., agency has been transferred from W. P. Lockwood to John S. Medley, an attorney, twenty years a resident. He represents the Orient, Fire Association, London & Lancashire and Hamburg-Bremen.

—Benjamin Goodwin has been appointed assistant manager by Manager Charles Christensen of the Pacific Coast department of the American Central and St. Paul. Mr. Goodwin is promoted from the position of special and adjuster.

—Manager Thomas of the New Zealand has appointed F. L. Culin special agent for his company. Mr. Culin has been engaged in the insurance business on this Coast for some years, more recently with the Board of Fire Underwriters of the Pacific.

—Manager Day of the Washington Life has recently made appointments as follows: L. M. Gregory, district manager at Los Angeles; Charles A. Brant, district manager at Fresno; Miss Sara Hartman, manager women's department at San Francisco.

—Manager Leavitt of the Union Mutual Life gave a dinner to about twenty people connected with the agency, on Christmas eve. Agents, medical examiners and the clerical force were present. The affair was very enjoyable, and there were mutual congratulations over the very creditable results of the year's business.

—Manager Thomas of the New Zealand began business in his usual thorough fashion. New blanks and new policy forms have taken the place of those formerly used, and new books and new methods are in harmony with the new arrangements of the office generally. All these changes, dictated by Manager Thomas's long experience in office and field work, are appreciated by all concerned. They expedite the handling of business and are more satisfactory to both agent and policyholder, as well as the office staff.

—Randsburg, a California mining town, burned with a loss of \$100,000 and no insurance.

—A good canvassing leaf, that page of Pacific West death claims we print this month.

—Geo. W. Mansfield, superintendent of agencies for the M. M. Ins. Co., is expected to visit San Francisco during February.

—The German of Freeport, the largest Illinois company, gave a "house-warming" when it moved into its new office building last month.

—The somewhat famous suit of the Milwaukee Mechanics against Warren & Lanktree and their bondsmen will finally be reached during February.

—The year 1897 expired in a blaze of fires in the United States. In December there were large fires in Chicago, St. Louis, Cleveland, Philadelphia, Grand Forks, N. D., and elsewhere.

—Well informed underwriters are of opinion that unless a great conflagration prevents, a general rate war will soon occur in Western Union territory. Powerful efforts are being made to prevent this catastrophe.

—A San Francisco special tells a story of a new local, who was instructed to send in "daily reports." And he obeyed literally. First came a \$5,000 line; next day a report of the business of the first day; and the following day another "daily report" of that \$5,000 risk, with a letter from the local, incidentally remarking that if he did much business this requirement of a report daily would compel him to hire a good deal of clerical help.

—"Good Wishes of Fireman's Fund Ins. Co." Just as we were wondering as to what surprisingly nice thing for the holidays the Fireman's Fund would this year present its agents and friends generally, in walked a young man carrying a basketful of tiny boxes, wrapped, tied and addressed. The impatient knife cut the cord, and curiosity was quickly appeased by the discovery of a dainty silver match-box in a bed of cotton. On the front of the box is embossed the "Good Wishes" of the company. The back is decorated with the well known monogram of the Fireman's Fund, beneath which is the appropriate figure of a brawny, bearded fireman emerging from fire and smoke and carrying a rescued child. Printed on a slip, within this pretty and serviceable gift, is the advice that "matches should always be placed heads down" in a match-box. These boxes were made by a San Francisco jewelry house.

—Security first, low rates afterward, if consistent with security. Habitual rate-cutters cannot pay losses in full and survive.

—Several wildcats, with headquarters in Chicago, are writing fire policies in California, unmolested by the insurance department.

—IMITATION.—The Kansas superintendent has a novel blank for annual statement. He requires the number and date of the policy; the name and postoffice address of the assured; the date of the loss if any; the amount of the policy; the amount claimed by the assured; the amount for which settlement was effected and if not settled, the reason. It is good salable information.

—The Atlas Assurance Company remembers its friends during the holidays, with a very useful calendar. A dozen letter-sheet blotters are substantially bound in paste-boards. The idea is an exceedingly good one. Atlas sustains a world on which "A. D. 1808," the company's year of origin is printed, is the central figure on the cover. On the sides are the impressive statements: "Claims paid exceed \$5,000,000," and "Funds in hand over \$10,000,000."

—We needn't say a word descriptive of the face of the Liverpool & London & Globe calendar for 1898. The round-the-globe clock and fleet Father Time and his scythe—who does not recall them? We mark in passing that on the authority of this calendar it is a quarter to one in China. Kow-chow! Col. Kinne, del., has given us another sign of his originality, by compiling for the back of the calendar, the population from the latest available data of the capitals and chief cities of the world, together with the distances from San Francisco by lines of travel. Dawson City is not forgotten either. The population of San Francisco is estimated modestly at 325,853, though the city directory people say 400,000, and The Coast Review says 358,523. We warn the Colonel that after putting Denver's population at 106,670 he would better remain away from there until his offence is forgotten. Denver smaller than Kansas City? Perish the thought! Other large Pacific West cities of over 25,000 are credited with the following population: Los Angeles, 103,079; Oakland, 70,590; Portland, 87,375; Pueblo, 28,128; Sacramento, 30,057; Salt Lake, 45,025; San Jose, 25,027; Seattle, 63,914; Spokane, 39,611; Tacoma, 42,459. Stockton and San Diego lack a few hundred of having 20,000. Honolulu has 22,907,

—E. W. Carpenter was knocking about town during the holidays.

—Special Agent Deering of the Pennsylvania is busy in Oregon these days.

—Five companies have ceased to do business in Kansas rather than submit to blackmail.

—The Z. C. M. I. building at Salt Lake City was singed by a fire in the rear last month.

—Arthur C. Thornton, Northwest special for the Fireman's Fund, was in town last week.

—J. Stanley Edwards, Denver, succeeds his father as Colorado manager for the *Ætina* Life.

—James S. Reed of Portland, special agent for the Connecticut Fire in the Northwest, made a flying trip to San Francisco a few days ago.

—J. R. Mason, a prominent local agent of Pt. Townsend, Wash., visited San Francisco last week. He reports good times generally in Puget Sound cities.

—The Traders reports \$1,894,054 assets, which is a large gain in the year. The net surplus is \$825,515, a gain of over \$200,000. The position of the company has been much improved by a year of general prosperity.

—San Francisco papers during the last days of '97 were full of statements of companies, showing their condition at the close of the previous year. This was valuable information to policyholders, printed according to law.

—R. W. Hosmer, of R. W. Hosmer & Co., Chicago, representing the American of Boston and six other fire offices, visited San Francisco last month, and as stated elsewhere established a general agency for the American, with Baggs & Stovel in charge.

—Bruce Cartwright, the Preferred Accident's able representative in Honolulu, has been in the city for some time. He is returning from a visit in Canada and the East by the way of San Francisco, and intends sailing for the Hawaiian Islands on the 28th inst.

Special Agents'
and Adjusters'
Daily Expense
Account Book

for 31 days

\$1.00	A DOZEN
.50	FOR SIX
.25	FOR THREE
.10	FOR ONE

At THE COAST REVIEW Office

—H. R. Burke, the Royal and Queen's Northwest special, visited the San Francisco office of his companies for the holidays, and was taken ill with acute appendicitis. He submitted to an operation and is now convalescent, and expects to be back in his field in a week or two.

—The unfriendly *Insurance Herald* of Louisville asks: "Why should other sections of the country pay tribute to make up the Coast losses because the companies are proud, haughty, and arbitrary? Why should Kansas pay for the amusement of persons in California?" Well, what do the "persons in California," who have made money for the companies with which to pay Kentucky losses, think of this impudent criticism?

—"There is nothing like leather." The Home Mutual Insurance Company's holiday greetings are in the form of a fashionable bit of desk furniture, useful and ornamental. A pad of note paper, with blotter and liner, is encased in undressed leather. The leather is stamped with an appropriate design, and has burnt scalloped edges with a fire-etched and stitched border. Between the floral designs "1898 A Happy New Year" is inscribed.

—Life insurance goes quietly on doing its work, so silently, so faithfully, so surely, day by day, week by week, month by month, year by year, that few realize the enormousness of its proportions. Are you aware that during the year 1896 many more [twice as many] millions of dollars were distributed to the policyholders and beneficiaries of American companies than it cost this government to maintain the entire postal service of the United States!—*Clarence M. Smith.*

—Probably the palm for novelty in the way of a calendar this year must be awarded to General Agents Boardman & Spencer of the Aetna. The body of the calendar is a broad, unpainted board, to be suspended from a leather strap. To the left is a colored and poker-etched sketch of a dancing Jap, whose head in half-relief forms a match-box. To the right is a hot-iron scored, leather-covered pocket for the monthly, perpetual calendar-cards. The effect is very striking, as becomes a *stretch-holz* calendar. The best of it is that this *outré* artistic affair is serviceable beyond the calendar year. The names of the donors are modestly stamped on the back of the board. We predict that this calendar, with its odd device, will long hold the post of honor on many a desk or wall.

—The Fraternal Union of Denver, denied admission to Missouri, has applied to the supreme court for a writ of mandamus to compel the insurance department to issue a license.

—If rates were regularly reduced or raised, everywhere, according to the average experience within a reasonably long time, there would be no howls for reduction in one State or territory because of reductions in another; habitual rate-cutters could never long survive; and there would be no advantage in being "out of the board." Underwriters' rating organizations, it seems to us, have heretofore delayed too long in both reducing and increasing rates according to the average experience.

—The Bankers Life Association of Des Moines Iowa, is out early with its annual statement, showing an increase in assets during 1897 from \$2,402,035.63 to \$2,832,139.18, a gain of \$430,103.55. The amount of insurance in force has been increased from \$86,754,000 to \$100,838,000, a gain of \$14,084,000. The total amount paid to beneficiaries was increased from \$2,520,023.82 to \$3,112,294.82, showing the amount paid during the year to have been \$592,208. The death rate for 1897 was 6.27, compared with 6.06 for 1896, and the expense of management for each \$1,000 at risk was reduced from \$2.24 in 1896 to \$1.94 in 1897.—*Rough Notes.*

—Among the passengers killed in the Colorado railway accident on the morning of the 10th ult. was Mr. Charles Leeper, a leading citizen of Clarion, Pa. Mr. Leeper before starting on the journey which ended in his death stopped at Pittsburgh to see a Mr. Bradford whom he had known for many years. Recognizing the dangers to which one is exposed in traveling, especially when going through the Rocky Mountains, Mr. Bradford urged his friend to take out a liberal accident policy. This Mr. Leeper refused to do, saying that he had been going about on railroads for nearly forty years and had never met with a mishap.—*Indemnity.*

WANTED FOR AN ENGLISH OFFICE

A Special Agent for California

Preference will be given to a successful California local agent. State age, experience by years in getting together premiums, also the losses thereon, also salary expected. Replies will be considered strictly confidential. Address,

P. O. Box 2664, San Francisco,

—The *Coast Review* is indebted to the Norwich Union for its "compliments of the season" pocket-books. They are made of red leather, with the rough sides out.

—R. P. Fabj of Portland, Or., special agent and adjuster for the Fireman's Fund and Home Mutual in the Pacific Northwest, spent the holidays with his many friends in this city.

—The Preferred Accident with its usual progressive spirit, will introduce a number of new contracts to its large clientage of business and professional men the first of the year. The annuity policy, original with that company, will be improved by the addition of the partial disability feature, and other desirable policies will be forthcoming.

—SALT LAKE IMPROVEMENTS.—During the past year improvements and new buildings in Salt Lake City amounted to over \$1,000,000, an increase of over half a million as compared with the figures for '96. While a number of new dwellings of from five to fifteen rooms have been erected, chiefly to sell on the installment plan, only a few business blocks were built. The new building occupied by the Oregon Short Line, costing \$150,000, was the only one of note.

—According to a Denver dispatch in the *Commercial Bulletin* the Colorado insurance superintendent has received a communication from Commissioner Kipp of South Dakota inviting him to join in a raid on all Eastern insurance companies. Kipp says the commissioners of Washington, Oregon, California, Kansas, Nebraska, Texas, and North Dakota have been invited to join the plunderers, and that a majority have accepted the invitation. The alleged purpose is for "the combine" to examine the bloated Easterlings, but the real purpose is to tap their tills.

—WHITNEY DAMAGE SUIT.—Several years ago E. B. Whitney was prosecuted on a charge of embezzlement. He was not convicted but the Fidelity & Casualty Company obtained a judgment against him for the amount claimed that he had taken. Whitney afterward brought suit against the company for an amount claimed to be due him, but the trial judge threw this suit out of court. Whitney also sued the company for some \$50,000 alleged damages for alleged malicious prosecution. This suit was recently dismissed for failure to prosecute, and the statute of limitations has now run against the cause of action.

FINANCIAL STANDING, JAN. 1, 1897,
OF THE

Philadelphia Underwriters

COMPOSED OF THE

Insurance Co. of North America

FOUNDED, A. D. 1792

CASH CAPITAL	\$3,000,000 00
Total Assets	9,681,808 08
Total Liabilities, except Capital . .	4,367,034 56
Surplus as to Policyholders . .	\$5,319,773 52

Fire Association of Philadelphia

FOUNDED, A. D. 1817

CASH CAPITAL	\$ 500,000 00
Total Assets	5,423,124 24
Total Liabilities, except Capital . .	4,416,740 51
Surplus as to Policyholders . .	\$1,506,383 73

COMBINED ASSETS, - - - -	\$15,609,932 32
SURPLUS TO POLICYHOLDERS, -	\$ 6,826,157 25

WESTERN AND PACIFIC COAST DEPARTMENT
CHICAGO, ILLINOIS

W. H. CUNNINGHAM, Manager
HENRY W. BUSH, } Ass't Managers
J. M. BECK, }

T. C. SHANKLAND, State Agent for California, Arizona and Nevada
JOHN D. RICHARDS, Manager City Department
219 SANSOME STREET
San Francisco

F. J. ALEX. MAYER, State Agent for Oregon and Washington, PORTLAND, Ore.
F. M. AVERY, Special Agent for Montana, Utah and Idaho, DENVER, Colo.

—Manager Stolp of the National Life is visiting the home office of his company.

—The famous Sun Insurance Office emblem appears on a circular leather-protected pen-wiper, which accompanies Manager Callingham's "heartiest wishes for a right joyouse Yule Tyde."

—**Syz & Co. Move.**—The offices of the Helvetia Swiss, Baloise and Swiss Marine Combined, Syz & Co., agents, have been removed to 301 California street, southwest corner of Battery street.

—Chas. S. Watson, agent at Seattle for the Employers Liability Assurance Corporation, the American Ins. Co. of New Jersey, and the St. Paul Fire and Marine, has been spending a few days in San Francisco.

—The Standard Accident Insurance Company of Detroit made handsome increase in California business last year. The premiums went from \$8,632 in '96 to \$15,283 in '97. The losses were \$1,144 less than in '96.

—General Agent Tyson of the German-American and German Alliance presented his friends with a handsome and unique board perpetual calendar, with match-box, scratch-card and hot-poker etchings. The demand was unprecedented.

—General Manager H. E. Wilson, of the Northern Assurance of London, has been visiting the larger cities of America. Mr. Wilson spent a couple of weeks on the Coast with Manager Geo. F. Grant, visiting Portland, Seattle, Los Angeles, etc., returning to the States via Salt Lake, Denver and New Orleans. Mr. Wilson is an able underwriter with many years' experience, having started in his profession as office boy with the North-ern.

—General Agent Tom C. Grant favors a number of his friends with a handsome and unique match-box perpetual calendar, with an "I wish you and yours a Merry Christmas and a Happy New Year." The face of the calendar-board is leather, rough or undressed side out. This is stamped with a drawing of California poppies, the stems rising from a match-box at the base. To the right is the calendar-cards receptacle, and between is the scratch-card. The back is made of folding alligator leatherette. Mr. Grant has made a tasteful selection as a medium for wishing the compliments of the season. The ladies of the family praise it, and the office-boy says he can find no match for it.

—Manager Geo. L. North of the Provident Savings Life is spending a few weeks in Honolulu.

—Dixwell Hewitt of Portland spent his holiday vacation with friends in this city and Oakland.

—The Milwaukee Mechanics has authorized the doubling up of its lines in the Pacific department.

The.....Merchants Insurance Company

OF NEWARK, N. J.
ORGANIZED 1858

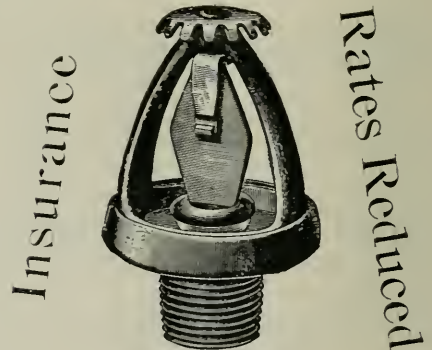
Cash Capital	\$ 400,000
Assets	1,567,000
Surplus to Policyholders	709,040

GEO. W. MCNEAR

General Agent for California.

WILLARD O. WAYMAN	-	-	Manager
R. M. BUCKMAN	-	-	Special Agent
for the Pacific Coast			

Offices:—308 SANSOME STREET—San Francisco



GRINNELL SPRINKLER CLOSED.

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AUTOMATIC SPRINKLER,

Both Wet and Dry Systems.

The only Perfect Solution of FIRE EXTINGUISHING.

For information and proposals apply to
Pacific Coast Automatic and Fire Extinguishing Company,

206 SANSOME ST.

SAN FRANCISCO.

—The Westchester has appointed M. B. Sowles Salt Lake agent.

—In Colorado hereafter every member of an agency must take out a license.

—E. W. S. Van Slyke & Co. have been sued by the Globe, to recover \$1,329 premiums.

—Robinson & Co., Salt Lake, have been appointed agents for the Phoenix of Hartford.

—F. J. H. Manning, the Palatine's special agent at Portland, visited this city last month.

—E. K. Alsip, a prominent Sacramento local, has disappeared, leaving his affairs in a tangled state.

—WESTCHESTER GAINS.—Assets, \$2,531,362, a gain of \$290,000; net surplus, \$999,827, a gain of \$296,000.

—T. J. Conroy of Portland, special of the Hartford, called on his friends in this city Christmas time.

—Perhaps Georgie Vanderbilt took out that million-dollar policy just to circumvent will-breaking lawyers.

—Not a single San Francisco agency got out a map of the Klondike and Alaska gold fields. How about Seattle?

—John Marshall, Jr., of Chicago, special agent of the Royal Exchange, visited old friends in 'Frisco this month.

—Horace M. Wheeler, one of the leading insurance agents in Los Angeles, was in the city a few days ago.

—The Home of New York reports \$11,296,503 assets and \$3,570,268 net surplus, both of which are large gains.

—In the Preferred Accidents roll of honor for December, the San Francisco agency stands second in good results.

—Among recent visitors we note M. H. Merrill, Northwest special for the Insurance Company of North America.

—The Review estimates the American and Canadian fire loss in 1897 at \$110,319,650, or \$5,000,000 less than in '76.

—The Home of New York presented its agents with a handsome sterling silver match-box, beautifully embossed.

—The German-American's assets are now nearly \$7,900,000 and the net surplus is nearly \$3,700,000. Assets gained \$767,000; surplus, \$673,000.

—General Agent Okell of the Employers Liability has moved to the Fireman's Fund building, second floor, room one.

—In Colorado, annual statements must be printed in the official paper, and the insurance superintendent "places" the ad.

—Local agents should go into politics and smite their enemies, whether of the same politics or not. "Business is business."

—Had it not been for the sprinklers we should have only the walls to show for our plant today.—Sec. N. W. Cordage Co., St. Paul.

—The Pacific Surety Company of San Francisco has moved its office to 326 Montgomery street, Safe Deposit building, where convenient and handsome quarters have been fitted up.

—Confessor Jacobs, who was the principal witness against Jacob and Marcus Wolf in the Portland arson case, died last month. Jacobs confessed that he sprinkled inflammable liquids about the store and on the goods of the Wolfs, his employers. He had previously been connected with two suspicious fires in California. He prepared the Wolf store for fire for a consideration, and "turned State's evidence" to save himself. Jacob and Marcus Wolf were arrested on a charge of arson, but the jury earned contempt by failure to convict. The Wolfs then sued the insurers for \$50,000 alleged damages for assisting in the prosecution. A few weeks ago the jury in this case failed to agree, standing on first ballot six to six. Jacobs was too ill to be a witness at this trial.

The Press.

It strikes us that *Rough Notes* is a pretty smooth article now.

The *Insurance Observer* issued a holiday number containing reduced copies of Nast's insurance cartoons.

"We obtained the particulars from the attorney who won the case."—*Insurance Agent*. Ditto here, and with due credit.

The *Insurance Sun*, an assessment contemporary, issued a handsome Christmas number, devoted chiefly to its assessment patrons.

A Washington editor, in response to the question "Do hogs pay?" said: "A great many do not. They will take the paper for several years, and then some day the paper will be sent back refused."

The *Insurance Monitor* is "spry as a kitten" these days—sprising us with fine portraits and editorial enterprise. The December product of the press contains portraits of the Western Union governing committee.

The *Insurance Report's* holiday number contains three fairy tales by Mr. Brown—one entitled "The Bankers Mutual Life Ins. Co. of Denver." We may be mean enough to quote from it some day.

The *Insurance & Finance Chronicle* of Montreal is now a weekly. We trust that the wealthy publisher of this valuable exchange will not allow the financial department to encroach too far on the insurance department.

The *Surrey* is not a copyist.

We are still waiting for the Louisville *Job Print Annex* to present some proof of its gratuitous assertion that "much, if not most, of the tyrannical legislation of the States is due directly to the bad faith of companies in their treatment of statutory requirements." Our effervescent contemporary bubbles over too often. With the discretion which comes with maturity he will be ashamed of his foolish assertion regarding the cause of hostile insurance legislation.



FIRE !

MARINE !


NEW ZEALAND

Insurance Company

OF AUCKLAND, N. Z.

UNLIMITED LIABILITY OF SHAREHOLDERS.

Subscribed Capital,	\$5,000,000 00
Paid-up Capital,	1,000,000 00
Assets,	2,545,114 00
Assets in United States,	300,000 00
Surplus to Policyholders,	\$1,718,792 00

 Has been underwriting on the Pacific Coast over 22 years.

United States Branch Office in Company's Building,

312 California Street, : San Francisco.

W. P. THOMAS, Manager.

THE PENN MUTUAL LIFE INSURANCE CO.

. . . OF PHILADELPHIA . . .

Organized 1847. Purely Mutual.

Admitted Assets, \$29,405,529.08

ONE OF THE OLDEST, STRONGEST AND BEST

The most attractive canvassing document in the field is the lithographic fac-simile of our New Policy. It shows in plain figures for each year and any age, the Guaranteed Cash or Loan Values, the Paid up Insurance and term of Automatic Extension.

Understood at a glance and easy to sell.

WHY NOT GIVE YOURSELF THIS ADVANTAGE ?

Let us send you an Illustrated Policy made out at your age. To reliable agents the most liberal contracts and desirable territory can be given. Address,

SHERMAN & HARMON, General Agents,

North Pacific Department, 727, 728 and 729 Marquam Building, Portland, Ore.

THE COAST REVIEW.

—H. R. Hanna of Los Angeles announces himself as an independent adjuster for southern California.

—J. M. Beck, assistant manager Western department Fire Association, after spending several months in southern and central California looking after the interests of the Fire Association and the Philadelphia Underwriters, has returned to his desk at Chicago, where he will remain until the "cold snap" of the coming winter bids him return to our "glorious California climate."

—At the late glove contest, where Sharkey and Jeffries were the leading lights, the insurance fraternity was well represented by managers, general agents, specials and clerks. Ed. Farnsworth chaperoned two highly respected veterans in the business, who it is believed had never been there before, but who seemed to enjoy the science of the "manly art" equal to any of the younger "boys."

—At the annual meeting last week of the Board of Fire Underwriters of the Pacific Chas. D. Haven was re-elected president, and Wm. J. Dutton re-elected vice-president. The executive committee now stands: Jas. D. Bailey, Geo. E. Butler, W. H. Lowden, W. J. Callingham, Rolla V. Watt, Cesar Bertheau, and Herbert Folger. Mr. Butler has been made chairman of the committee and Mr. Mohrhardt re-elected secretary.

—Julius Jacobs, the veteran life and fire underwriter of this city, has been appointed by President McKinley and confirmed by the senate as U. S. sub-treasurer of San Francisco. Mr. Jacobs is one of this city's men of affairs, with long business experience, and highly esteemed by a host of friends, who have extended to him congratulations. The *Coast Review* will add that the president made a most fitting appointment when he named Mr. Jacobs for the place.

—A. G. Ridling has been appointed special agent and adjuster of the Home of New York. Mr. Ridling's field will be California and Nevada, where he will work under direction of General Agent Roff. Mr. R. is familiar with this field, having been engaged in special work and adjusting losses for the past five years for the Continental and other companies. He has been in the service of the Home and Phoenix for the past twelve months. In Mr. Ridling General Agent Roff will have a very valuable second.

—Marine Secretary Levison of the Fireman's Fund is in the East.

—Legislators should employ a grammarian to put their bills in good English, punctuate, and prevent ambiguities.

—Lieutenant Dutton of Admiral Dewey's squadron at Manila is a son of Vice-President Dutton of the Fireman's Fund Ins. Co.

—Law Union & Crown has entered Oregon, which completes the entire Pacific Coast, except California, where Clunie will not license.

—President Whiting of the Orient of Hartford, who has been in ill-health for some time, derived considerable benefit from his recent trip to California.

—General Agent Clarence M. Smith of the Northwestern Mutual Life will go East in a few days, and will take a vacation of two or three months. Mrs. Smith accompanies him.

—M. H. Thomson, for many years with Okell, Donnell & Co., has been appointed special agent for the Merchants Ins. Co., succeeding R. M. Buckman, who resigned to engage in business in the East.

—John H. Burgard, of Portland, Or., has been appointed by General Agent Coleman of the Home of New York, special agent. Mr. Burgard has had considerable experience in the insurance business in the Pacific Northwest as local, special and general agent.

—The Pope Mfg. Co. has insured the lives of all National Guard employees who enlisted between April 21 and May 20. Each volunteer is insured in the sum of \$1,000 in the Phoenix Mutual Life of Hartford, and will be offered employment by the company on his return.

—C. Y. Yates, special agent in this State and Texas for the Thuringia Insurance Company with headquarters at Los Angeles, has been transferred to the Chicago office of the company, from which he will do field work under direction of Manager Voss. Mr. Yates is a successful field man and popular with the local.

—J. N. Reynolds, late special with Royal and Queen, has been engaged with the Thuringia Insurance Company as special agent and adjuster in the Middle West, with headquarters at Chicago. Mr. Reynolds returns to his old field, where he represented the Westchester as special agent for fifteen years prior to coming to the Coast.

—Maj. Fossall of Los Angeles, Geo. Potter of San Diego and Junius Young of Salt Lake are in the city.

—It is proposed that American life offices join in the support of an auxiliary hospital corps for the care of sick and wounded soldier policyholders.

—If there is any doubt as to the result of the next election in Kansas, the majority either way, it must be admitted, will be so small that the insurance agents of the State can determine it. If they don't go into politics, they will prove that McNall holds them in proper esteem when he kicks them, through their companies.

—It is feared by some folks that life companies' "bonds" may be taxed. There is no danger. The Indiana supreme court has vetoed that proposition. These "bonds" or surrender values or reserves represent actual cash assets held in trust, on which all legitimate taxes are paid by the companies. These values are not like capital stock of corporations.

Paperania.

The *Insurance Magazine*, again, very sensibly, makes its headquarters in Kansas City.

Our Baltimore contemporary feels not so goodly or well as when it wrote of an official that "need not feel badly."

A pair of poor lawyers—*Insurance* and *U. S. Review*—think the life insurance anti-rebate compact "in restraint of trade and competition." So is a resolution to economize.

The *Standard* of April 23 prints the "results of insurance in California in 1897," previously printed in the *January Coast Review*. Three other Eastern journals surprise us with equal enterprise.

STATE SUPERVISION.—Superintendent Orear, of Missouri, who accepted as a deposit \$200,000 in fake securities from a Chicago wildcat, is now busy explaining he did not know it was loaded.—*Intelligencer*.

The *Insurance Report* doesn't want San Francisco managers transferred to Denver. Its objections are gracefully and kindly expressed as follows: "We would have Mr. Clunie know that Denver is not seeking the scum and sweepings of modern Sodoms and Gomorrahs."

The *Observer* man offers to the Kansas poultry-cat, as a contribution to the discussion, "some of the least nasty details of the case of McNall v. McNall, tried about fifteen years ago." We have suspected that Mac is that sort of thing—the kind that gives such private letters and filthy details to the press. The Kansas insurance commissioner has not accepted the offer.

None of the insurance papers of the United States betrayed any signs of having been purchased with Cuban bonds. Excepting possibly *Insurance Register*.

Items.

The Western Union is losing recruits by desertion.

In Indianapolis companies will be limited to two agencies, after next month.

The Metropolitan district tariff association of New York has gone to pieces and rates are wide open. Col. Old is much pleased thereat.

Excess commissions were responsible for the suspension of rates in Wheeling, W. Va. The medicine was drastic. The locals immediately got into line.

When a new scheme for getting business suggests itself to a manager or an agent, this test of expediency should be applied: What would be the result if all others should adopt the same scheme? *Now and Then*.

The Michigan department thinks the Liverpool & London & Globe Ins. Co. has violated the law against exposure to loss on one risk exceeding 10 per cent. of capital. The company's Michigan license has been canceled, and a restraining order has been asked for. The management is resolved to test the Michigan commissioner's view of the law. The risks in question, though belonging to one company, are scattered.

Here's a Chance!



A few good men wanted to organize the PREFERRED'S agencies in the American colonies of the Phillipines, Cuba and Porto Rico. Will also consider applications for the management of the

Preferred's Spanish Branch, . . . soon to be established at Madrid, under the auspices of an American Governor-General. Weyler and little Alfy barred.

Apply at Pacific Coast Department,

Preferred Accident Insurance Co.,

MILLS BUILDING,

THOS. GODWIN, Manager.

H. L. PALMER, Pres't.
J. W. SKINNER, Sec'y

THE

ORGANIZED 1857.

NORTHWESTERN MUTUAL LIFE INS. CO.

PURELY MUTUAL AND TRANSACTS BUSINESS ONLY IN THE UNITED STATES.

STATEMENT JANUARY 1st, 1898.

Assets.....	\$103,375,536
Liabilities.....	80,885,093
Accumulations held to meet Tontine Policy contracts..	\$ 16,310,434
General Surplus.....	6,180,009
Income during 1897.....	\$ 20,020,162
Insurance Written during 1897.....	\$ 61,187,598
Insurance Gained during 1897.....	28,913,541
Insurance in Force	413,081,370

LOW
MORTALITY.

ECONOMICAL
MANAGEMENT.

BEST RESULTS TO POLICY-HOLDERS.

Business accepted only from regular Agents of the Company.

For further information, or an Agency, address:

WILLARD MERRILL, Vice Pres't and Sup't of Agencies, Home Office, Milwaukee, Wis.

FOR CALIFORNIA.

CLARENCE M. SMITH,
112 Phelan Bldg., S. F.

PACIFIC COAST GENERAL AGENTS:

FOR OREGON.

S. T. LOCKWOOD & SON,
PORTLAND.

FOR WASHINGTON.

JOHN L. COLE,
SEATTLE.

OUR SAN FRANCISCO INSURANCE DIRECTORY.

Fire and Marine Insurance Agencies.			Fire and Marine Insurance Agencies.		
Phone	General Agents and Companies.	Address.	Phone	General Agents and Companies.	Address.
548	Baggs & Stovel	213 Sans.	1015	Fowler, W. H. C.	210 Sans.
	American, Boston			Austrian, Phoenix	
5107	Bailey, James D.	412 Calif.	1632	Grant, Geo. F.	221 Sans.
	Ins. Co. North America			London Assurance, London	
334	Balfour, Guthrie & Co.	313 Calif.	71	Grant, Tom C.	212 Pine
	(A. H. Small, Manager)			North British & Mercantile	
	British & Foreign Marine			Greenwich, N. Y.	
	Yangtsze, Shanghai				
354	Belden, H. K.	313 Calif.		Graves, D. W. (Special Agent) .	302 Pine
	Hartford Fire			Continental, New York	
	N. Y. Underwriters Agency				
272	Bertheau, Cesar	423 Calif.	288	Gutte & Frank	303 Calif.
	Hanover, N. Y.			Magdeburg, Germany	
	Aachen & Munich Fire			Wilhelma, Germany	
427	Boardman & Spencer	514 Calif.		Kosmos, Hamburg, Germany	
	Etna, Hartford			Associated Assurance Cos.,	
				Germany	
5414	Bromwell, L. L.	410 Calif.	38	Harrison, Wm. Greer	305 Calif.
	Milwaukee Mechanics, Wis.			Thames & Mersey Marine	
1842	Brown & Son, Edward	407 Montg	666	Haven, Chas. D.	422 Calif.
	American, Phila.			Liverpool & London & Globe	
	Svea, Sweden				
	Agricultural, N. Y.				
684	Butler & Haldan	413 Calif.	1184	Herold, Jr., Rudolph	415 Calif.
	Phoenix, London			Hamburg-Bremen	
	Providence-Washington, R.I.				
1466	Callingham, W. J.	420 Calif.	1086	Home Mutual Ins. Co.	318 Calif.
	Sun, London				
	Orient, Hartford		336	Landers, William J.	205 Sans.
680	Catton, Bell & Co.	406 Calif.		Imperial, London	
	Union Assurance, London			Lion, London	
	Law Union & Crown		396	Laton, Chas. A.	439 Calif.
195	Christensen, Chas.	317 Calif.		Palatine, Eng.	
	American-Central, St. Louis.			Traders, Chicago	
	St. Paul. F. & M.		1597	Loaiza, W. & Co.	216 Sans
5968	Davis & Son, J. B. F.	208 Sans.		Prussian National	
	Standard Marine, Liverpool			Niagara	
433	Davis & Watson	221 Sans.	5710	Lowden, W. H.	308 Pine
	British America			Norwich Union	
	Western, Toronto				
1100	Davis & Henry	215 Sans.	746	Macdonald, William	315 Montg
	Victoria, N. Y.			London & Lancashire, Eng.	
	Greenwich, N. Y.			Norwalk Fire	
1886	Devlin, Frank J.	309 Sans.		English-Am. Underwriters	
	Atlas, London		1034	Magill, A. E.	325 Calif.
689	Dickson, Robt.	501 Montg		Home, N. Y.	
	Royal Exchange, London			Phoenix, Hartford	
822	Dornin, George D.	409 Calif.	720	Manheim, Dibbern & Co.	217 Sans.
	National, Hartford			Scottish Union & National	
	Springfield, Mass.		169	Mann & Wilson	322 Calif.
5817	Driffeld, V. C.	213 Sans.		Lancashire, Eng.	
	Transatlantic, Hamburg			Teutonia, New Orleans	
	Hamburg Underwriters			St. Paul (Marine)	
1991	Dutton, Wm. J.	401 Calif.		La Foudiere Marine	
	Ins. Co. State of Penn., Phila.			L'Universo Marine	
	Rhode Island Underwriters		538	Maxwell, J. D.	421 Calif.
	Boston Marine			Continental	
201	Edwards, L. B.	323 Calif.	5639	Medcraft, R. C.	319 Calif.
	American, N. J.			Scottish Union & National	
	Manchester, England		649	McNear, Geo. W.	308 Sans.
	Caledonian, Edinburgh			Merchants, N. J.	
1991	Fireman's Fund Ins. Co.	401 Calif.			

OUR SAN FRANCISCO INSURANCE DIRECTORY

Phone	General Agents and Companies.	Address.	Phone	General Agents and Companies.	Address.
1724	Mitchell, Geo. M. Westchester, N. Y.	210 Sans.		Finnegan, John E. Travelers, Hartford	Mills Bldg
1554	Mullins, C. F. Commercial Union, Eng. Commercial Union, N. Y. Alliance, London	416 Calif.	1376	Forbes & Son, A. B. Mutual Life, N. Y.	Mutual Life Bldg
1015	Okell, Donnell & Co. General, Trieste	401 Calif.	699	Garniss, Jas. R. American Surety, N. Y.	219 Sans.
5582	Pope, T. Edward Pennsylvania Union, Phila.	436 Calif.	1384	Godwin, Thos. Preferred Accident, N. Y.	Mills Bldg
5136	Potter, Ed. E. Franklin, Phila. Williamsburg City, N. Y.	508 Calif.	766	Harmon, Jr., A. K. P. Connecticut Mutual Life, Hartford	Mills Bldg
5024	Shankland, T. C. Fire Association, Phila.	219 Sans.	Red 2331	Houghton, H. B. Ætna Life (& accident) Conn.	Safe De- posit Bldg
5976	Smith, B. J. Connecticut, Hartford	501 Montg	1684	Jacobs, W. A. Germania Life	Mills Bldg
Green 621	Speyer, Walter North German, Germany Hamburg Underwriters	235 Sans.	5296	Kilgariff & Beaver Pacific Mutual Life	508 Montg
5810	Syz & Co. Helvetia Swiss Baloise, Switzerland Swiss Marine Combined	301 Calif.	Brown 223	Landers, John Manhattan Life, N. Y.	240 Montg
1990	Tannhauser & Co. Transatlantic Marine	311 Calif.	Blk 2311	Leavitt, W. C. Union Mutual Life, Me.	419 Calif.
321	Thomas, W. P. New Zealand, Auckland	312 Calif.	1597	Loaiza, W. & Co. Union Casualty & Surety Co.	216 Sans.
5359	Tyson, Geo. H. German-American, N. Y. United States, N. Y. German Alliance, N. Y.	435 Calif.	1696	McLane, Chas. New York Life, N. Y.	Mills Bldg
1666	Turner, Geo. W. Northwestern National	412 Montg	169	Mann & Wilson Hartford Steam Boiler Metropolitan Plate Glass	322 Calif.
5577	Voss, Conrad & Co. Thuringia, Germany Frankfort Marine Bavarian Lloyd Marine	204 Sans.	538	Maxwell, J. D. New York Plate Glass U. S. Casualty	421 Calif.
113	Watt, Rolla V. Royal, Liverpool Queen, N. Y.	Royal Ins. Bldg.	5921	Munsell, Jr., Jas. Mutual Benefit Life, N. J.	415 Montg
			5393	North, Geo. L. Provident Savings, N. Y.	Spreckels Bldg
			1015	Okell, Chas. J. & Co. Employers' Liability, London	411 Calif.
				Osborne, Jas. S. Phoenix Mutual Life	Spreckels Bldg.
			750	Pacific Mutual Life, S. F.	508 Montg
			621	Pacific Surety Co., S. F.	308 Sans.
			699	Pardee, S. C. Fidelity & Casualty, N. Y.	Mutual Life Bldg
			Green 31	Parker, C. M. T. Massachusetts Mutual Life	214 Pine
			5011	Pratt, G. C. Union Central Life, Cincinnati	405 Montg
			970	Shields, A. M. Equitable Life	Crock'r Bldg
			5161	Smith, Clarence M. Northwest'n Mut., Milwaukee	Phelan Bldg
			1739	Stolp, G. M. National Life, Vt.	Crock'r Bldg
			5577	Voss, Conrad & Co. Frankfort Acci. & Plate Glass	204 Sans.

San Francisco Life, Accident and Miscellaneous Agencies.

Phone	General Agents and Companies.	Address.
329	Borland, James H. National Surety Co.	Spreckels Bldg
5017	Briggs, Clarence F. Standard Life and Accident	307 Calif.
195	Christensen, Chas. Lloyds Plate Glass, N. Y.	317 Calif.
5683	Day, James B. Washington Life	Safe De- posit Bldg
902	Delger & McCargar Bankers Life Association.	Spreckels Bldg
1979	Donnell, A. C. Guarantors Finance Co.	401 Calif.
5244	Dunphy, W. H. Home Life, N. Y.	Parrott Bldg
1703	Field, H. K. New England Mutual Life	Mills Bldg

Our Directory of Pacific Coast Field Men.

Attached Field Men.

Aachen & Munich.

A W Thornton, San Francisco
Alfred R Grim, San Francisco
Wm B Streeter, Portland, Oregon

Atlas Assurance.

W W Alverson, San Francisco
C E Schillingheide, Los Angeles
William Manning, Denver, Col.

Elma.

Ed C Morrison, San Francisco
Louis Mel, San Francisco
W L Gazzani, Seattle, Wash.
T D Boardman, Seattle, Wash.

Baggs & Storck Agency.

C W Smith, San Francisco

British America and Western.

H W Fores, San Francisco
W L W Miller, Denver, Colorado
A A Crandall, Portland, Oregon
H J Schaeffer, Spokane, Wash.
R H Magill, Oakland, California

Edw. Brown & Son, Gen'l Ag'ts.

Wm H Hill, San Francisco
E J Lowery, San Francisco
H H Brown, San Francisco
N B Whitley, Seattle, Washington
W H Gibbons, Salt Lake City, Utah

Buttler & Haldan Agency.

B C Dick, San Francisco
B B Broomell, Tacoma

Continental.

D W Graves, San Francisco
Walter J Wilson, Portland, Oregon
C B Tuttle, Denver, Colorado
A A Maloney, Los Angeles

Commercial Union and Alliance.

W R Heath, San Francisco
A T Von Ellinger, Portland, Or.
E J Jolly, Salt Lake City, Utah
W A Jackson, Los Angeles

Connecticut.

Guy Francis, San Francisco
E J Sharpley, Los Angeles
James S Reed, Portland, Oregon
Frank G Smith, Sacramento

Chas. Christensen's Agency.

James C Cunningham, Spokane
Ernest C Johnson, Los Angeles
S B Morse, Portland, Oregon

L. B. Edwards, Manager.

R De Lappe, San Francisco
H McD Spencer, San Francisco
Dixwell Hewitt, Portland, Oregon

Fireman's Fund.

R D Hunter, San Francisco
Wm Kilinger, San Francisco
L M Seaton, Los Angeles
F H McElhone, Dallas, Texas
J V Spears, Dallas, Texas
F G White, Denver, Colorado
A C Thornton, Portland, Oregon
R P Fahj, Sherlock Bldg., Port., Or.
G H Mendell, Jr., Salt Lake

Fire Association, Philadelphia.

T C Shankland, San Francisco
F M Avery, Denver, Colorado
F J Alex Mayer, Portland, Oregon
E J Louis, Los Angeles

German-American.

W F Chipman, San Francisco
Harry Bonner, San Francisco
T H Williams, San Francisco
H M Grant, Portland, Oregon
Chas R Thompson, Portland, Or.
D C Donaldson, Los Angeles

Hamburg-Bremen.

Harry C Boyd, San Francisco

Hartford.

J J Agard, San Francisco
John M Holmes, San Francisco
Geo W Conroy, San Francisco
Thomas J Conroy, Portland, Or.
J J Dennis, Salt Lake City

Home Mutual.

W B Westlake, San Francisco
E E Eitel, San Francisco
R P Fanj, Portland, Oregon
A W Whitmer, Portland, Oregon
F G White, Denver, Colorado
Chas C Echlin, San Francisco
C P Lyndall, Los Angeles

Home and Phoenix.

Harry L Roff, San Francisco
A G Ridling, San Francisco
Junius Young, Salt Lake City
A F Garner, Portland, Oregon
Maj W H Bonsall, Los Angeles

Imperial and Lion.

W A Matthews, San Francisco
W B Foster, San Francisco
W H Raymond, Portland, Oregon
Toll Thompson, Portland, Oregon

Ins. Co. of North America.

J K Hamilton, San Francisco
C O Scott, San Francisco
M H Merrill, Portland, Oregon
A E Bailey, Seattle, Washington

Lancashire.

Walter M Speyer, San Francisco
D W Pierce, Los Angeles
F M Branch, Portland, Oregon

Liverpool & London & Globe.

R G Brush, San Francisco
Edw G Sprowl, Tacoma, Wash.
John W Gunn, Salem, Oregon

London & Lancashire.

W B Hopkins, San Francisco
Burns Macdonald, San Francisco
J K Urnston, Los Angeles
Sam B Stoy, Cham. Com., Port., Or.
W S Berdan, Jr., Cham. Com., Port.

London and Northern.

Frank L Hunter, San Francisco
F C H Roblins, San Francisco

Mudgeburg.

Leslie Bates, San Francisco

Merchants, N. J.

M H Thomson, San Francisco

Milwaukee, Mechanics.

C H Ward, San Francisco
Gilbert E Overton, Los Angeles
G Alston Hile, Seattle

National and Springfield.

Leslie H Lord, San Francisco
J N Waters, San Francisco
Hiram H Lee, Denver, Colorado
John C Dornin, Tacoma, Wash.
P E Gerald, Portland, Oregon

New Zealand.

F L Cullin, San Francisco
Frank E Walsh, Los Angeles
H E Parkhurst, Portland, Oregon

Niagara.

Frank N Rust, San Francisco

North British and Mercantile.

Wm H Bagley, San Francisco
Edward Niles, San Francisco
E L Thompson, San Francisco

North German.

J H Ankele, San Francisco

Norwich Union.

J L Fuller, San Francisco
R H Delafield, San Francisco
F C Stanford, San Francisco
A W Giesy, Salem, Oregon

Palatine.

Thomas J Duffy, San Francisco
Henry T Fennel, Los Angeles
Edward O Hughes, Denver, Colo.
F J H Manning, Portland, Oregon
Henry C Rodgers, San Francisco

Pennsylvania Fire.

Homar A Craig, San Francisco
Chester Deering, San Francisco
Volney Howard, San Francisco
Paul C Bates, San Francisco
R W Osborn, San Francisco
J H Clinkscales, Los Angeles

Philadelphia Underwriters.

Geo E Faw, San Francisco
F M Avery, Denver, Colorado
F J Alex Mayer, Portland, Oregon
E J Louis, Los Angeles

Prussian National.

John A Prinsen, San Francisco
Edward E. Potter, Manager.
T M Swiney, San Francisco
Charles A Layng

Royal and Queen.

John T Fogarty, San Francisco
J N Reynolds, San Francisco
Wm Maris, San Francisco
F M Gilcrest, Los Angeles
H R Burke, Portland, Oregon
J O Thomas, Portland, Oregon

Royal Exchange Assurance.

H C Ramsay, San Francisco
John J Clayton, San Francisco
J E Hendry, San Francisco
R M Thompson, Los Angeles

Scottish Union & National.

T J A Tiedemann, Portland, Or.
Fred Stover, Los Angeles
Chas F Wilson, Denver, Colorado
W J Pascoe, San Francisco

Sun and Orient.

Leslie A Wright, San Francisco
J H Morrow, San Francisco
J B Walden, Jr., San Francisco
Warren Campbell, Los Angeles
W H Street, Portland, Oregon
A R D Paterson, Portland, Oregon

Syz & Co.

A Heriman, San Francisco

Thuringia.

R B Friend, San Francisco
E L Bosqui, San Francisco
C G Yates, Los Angeles
L F Lamping, Seattle, Washington
W C Cree, Denver, Colorado

Transatlantic.

Tom R Roberts, San Francisco

Union Assurance.

Harry H Smith, San Francisco
Edwin B De Golia, San Francisco

Westchester.

H C Keller, San Francisco

Unattached Field Men.

A R Gurrey, San Francisco
E P Farnsworth, San Francisco
R H Naughton, San Francisco
J G Lavery, San Francisco
Calvert Meade, San Francisco
A A Andre, San Francisco
Chas A Stuart, San Francisco
Adolph Wenzelburger, San Francisco
A R Gunnison, San Francisco
John Ehrlich, San Francisco
W H Faust, Los Angeles
D W McIntosh, Los Angeles
William L Chalmers, Portland, Or.
B D Smalley, Seattle, Washington
H R Hanna, Los Angeles

ORGANIZED 1880

The Bankers Life Association

OF ST. PAUL, MINN.

Statement January 1st, 1898.

ASSETS.

United States Registered Bonds (Market Value)	\$649,600 00
Guaranty Notes not yet due on policies in force	71,982 84
Loans Secured by Collateral	40,000 00
Cash in Merchants National Bank, St. Paul	47,875 01
Cash in National German American Bank, St. Paul	37,021 43
Cash in First National Bank, St. Paul	16,352 70
Special Deposit in St. Louis National Bank, St. Louis, Mo.	1,000 00
Cash in Office	119 95
Accrued Interest not yet due	1,848 75
TOTAL ASSETS	\$865,800 68

Death Losses Due and Unpaid NONE.

Cost, the Lowest Consistent with Absolute Security.

ASSETS.

31st December, 1890, were	\$271,436 28
31st " 1891, "	356,821 97
31st " 1892, "	529,138 99
31st " 1893, "	567,942 63
31st " 1894, "	619,751 52
31st " 1895, "	672,073 01
31st " 1896, "	766,641 43
31st " 1897, "	865,800 68

NOTE.—This is a strong financial showing, and places the BANKERS LIFE above the largest Natural Premium Companies in the country on the basis of ASSETS TO AMOUNT AT RISK.

CLARENCE E. SECOR, Manager.

FINANCIAL STANDING, JAN. 1, 1898,

OF THE

Philadelphia Underwriters

COMPOSED OF THE

Insurance Co. of North America

FOUNDED, A. D. 1792

CASH CAPITAL	\$ 3,000,000 00
Total Assets	10,057,221 00
Total Liabilities, except Capital	4,454,624 00
Surplus as to Policyholders	\$5,602,597 00

Fire Association of Philadelphia

FOUNDED, A. D. 1817

CASH CAPITAL	\$ 500,000 00
Total Assets	6,239,335 00
Total Liabilities, except Capital	4,427,387 00
Surplus as to Policyholders	\$1,811,947 00

COMBINED ASSETS, - - - - \$16,296,556 00

SURPLUS TO POLICYHOLDERS, - - \$ 7,414,544 00

WESTERN AND PACIFIC COAST DEPARTMENT

CHICAGO, ILLINOIS

W. H. CUNNINGHAM, Manager

HENRY W. BUSH, } Ass't Managers

J. M. BECK, }

GEO. E. FAW, State Agent for California, Arizona, Nevada and the Hawaiian Islands.

JOHN D. RICHARDS, Manager City Department,

219 SANSOME STREET, - - - - - SAN FRANCISCO.

F. J. ALEX. MAYER, State Agent for Oregon and Washington, PORTLAND, Ore.

F. M. AVERY, Special Agent for Montana, Utah and Idaho, DENVER, Colo.

E. J. LOUIS, Special Agent for California, Nevada and Arizona.

Secretary English of the Aetna Life Insurance Co. notifies agents as follows: "For all policies issued by this company on or before April 21, 1898, the company grants the enclosed form of permit, on receipt of a certificate signed by the insured to the effect that he has actually entered service in the army or navy of the United States. On policies issued since the above date the company will, when requested, place the enclosed war endorsement, and the permit will be issued on receipt of a certificate similar to that above described." The permit suspends, "until the close of the war," the war service clause. The war endorsement provides for the payment of the extra war mortality by withhold-

ing dividends and the creation of a lien of 25 per cent., to be held as a fund for the payment of war losses in excess of the mortality tables.

The Magdeburg building in New York is about ready for occupancy.

The.....Merchants Insurance Company OF NEWARK, N. J.

ORGANIZED 1858

Cash Capital	.....	\$ 400,000
Assets	.....	1,640,415
Surplus to Policyholders	.....	791,251

GEO. W. MCNEAR
General Agent.

WILLARD O. WAYMAN - Manager
M. H. THOMSON - - - Special Agent
for the Pacific Coast

Offices:—308 SANSOME STREET—San Francisco

J. G. LAVERY,

Professional Accountant
and
Fire Loss Adjuster ❧ ❧

TEL. BLACK 1391

ROOM 43
NEVADA BLOCK, S. F.

AMERICAN
INSURANCE COMPANY
OF BOSTON, MASS.
Organized 1818.

Capital,	\$300,000 00
Assets,	624,262 13
Surplus to Policyholders	451,611 81

MERCANTILE
FIRE AND MARINE INS. CO.
OF BOSTON, MASS.
Organized 1823.

Capital,	\$400,000 00
Assets,	639,716 71
Surplus to Policyholders	475,182 50

BAGGS & STOVEL, General Agents,
213 Sansome Street, : San Francisco.

Better than Klondike!

Over fifty million dollars of farm products in Oregon and Washington during 1897.

A larger crop and better prices in prospect for 1898. Some of this money will go for life insurance.

The Penn Mutual Life Insurance Co. OF PHILADELPHIA

Nearly doubled their total insurance in force in these States in 1897, and offer unequalled attractions, both for the agent and the insured.

To reliable agents the most liberal contracts and desirable territory can be given.
Address at once,

SHERMAN & HARMON, General Agents,
North Pacific Department, 727, 728 and 729 Marquam Building, Portland, Ore.

THE COAST REVIEW

A MONTHLY JOURNAL

Devoted to all kinds of Insurance that INSURES. Published on the Fifteenth of every Month.

* *
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PER COPY . . . 25 cts.

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J. C. EDWARDS, Proprietor,
Pacific Mutual Building, San Francisco.
Telephone No. 1530.

Vol. 53.

FEBRUARY, 1898.

No. 2.

The Coast Review Manual.

Following are a few expressions in favor of THE COAST REVIEW Manual written us by correspondents:

- "It is a great help."
- "It is certainly perfection."
- "Contains many suggestions of great value to local agents."
- "Contains information not to be obtained from any other source."
- "I could not well do without it."
- "I find within its pages a vast amount of useful information."
- "I have never seen any other manual that would give the local agent as much intelligent aid."
- "We keep it ready at hand, referring to it often, using it as an authority."
- "I keep it on my desk for reference."
- "It is the best instruction book for agents."
- "I note many items of advantage to me, and for which I have looked in vain elsewhere."
- "The best book of the kind published."
- "It is just what we agents need."
- "Explanations are clear and concise."
- "It is easily understood."
- "Most complete, concise and clearly written book of the kind I have ever seen."

The Coast Review Advertisements.

Changes should be sent in before the first of the month.

It is never too late for a new advertisement.

Our advertisements are an invitation for agencies for insurance, and for inquiries as to rates, plans, etc.

Advertisers should frame their ads for reference purposes, as well as to bring out the strong points of the company. As many copies of THE COAST REVIEW are placed in the hands of property owners and applicants for insurance, it is well to take this fact into consideration in the wording and display of an advertisement.

L A W.

Our Digest of Recent Insurance Decisions.

Fire.

Construction of a Question.

The insured gave an affirmative answer to the following question in the application: "Are walls on sides and between each tenement without openings?" Held, That the question was as to whether the walls between each tenement had openings, and not whether there were openings in the outside walls of the building.

Inventory.

Where a policy provides that the insured shall make a complete inventory once a year, and shall keep a set of books which will present a complete record of all purchases and sales, the inventory, as well as the books, may be looked to in determining the amount of the loss. *Phoenix v. Podgitt, Tex. C. C. A.*

Other Insurance Known to Agent.

It is evidence of waiver of a provision in a policy of fire insurance that there shall be no other insurance on the property during the life of the policy, without consent of the company written thereon, that the company's agent, when receiving the premium, knew of other insurance on the property, effected between the issuance of the policy and the payment of

the premium; and that there was never any offer to return the premium; and this whether the policy took effect at the time of its issuance or not till payment of the premium. *Schroeder v. Springfield, S. C. S. C.*

Title to Lot. Insurable Interest of Husband.

Where general agent applies to property owner to insure him against loss by fire, and agrees to give him a certain amount of insurance for a premium agreed upon and paid, and the agent makes no inquiry as to the title to the lot upon which the property is located, and no misrepresentation is made by the insured, the company cannot avoid its liability, because legal title to said lot was in the wife of the insured, while he had an insurable interest in the property burned in excess of the insurance thereon. *German v. Davis, Kan. S. C.*

Change in Interest or Title.

Mortgage of property by insured does not violate the terms of a policy providing that "this policy shall be void if any change other than by the death of the insured takes place in the interest or title of the subject of the insurance, whether by legal process, judgment, voluntary act of the insured or otherwise." The term "change" means a transfer of interest or title, not an incumbence merely.

Suit Properly Brought by Mortgagee Alone.

Where a policy is issued to a mortgagor, with a provision that the loss, if any, is payable to a mortgagee as his interest may appear, and the interest of the mortgagee exceeds the amount of the insurance, the suit is properly brought by the mortgagee alone. *Peck v. Girard, Utah S. C.*

Conditional Receipt not a Contract.

E. applied for insurance and received following receipt from agent: "Received of R. A. E. an application for insurance by New Zealand Ins. Co. subject to approval by manager; one note payable on 1st of August, 1893; also \$15 in cash,—all to be returned if policy is not issued. If policy is not received within thirty days from date of this receipt, report that fact to manager, Denver, Colo." On the 20th of July, 1893, said manager notified this agent by letter that the company declined the risk, returning to him the application and premium. Plaintiff testified that he never received either the application or the premium, nor notified the manager of the non-receipt of policy. The property was destroyed by fire

August 28, 1893. Held, That the non-receipt by plaintiff of the application and the premium did not convert the receipt given by the agent into a contract of insurance. *Easley v. New Zealand, Idaho S. C.*

Marine.

Insurance of Profits Total Loss.

Libellant was insured in respondent company for \$15,000 on "profits" on a cargo of sugar, against "total loss only," valued at amount of insurance. Before insuring, the respondent had notice of previous insurance of the same cargo by Atlantic Mutual for \$165,145. Policy on "profits" was designed to cover additional value of cargo above prior insurance upon a rise in the market price. The vessel was afterwards stranded, and but \$9,000 net was eventually saved out of cargo, the salvage work being superintended by the agent of A. M., to whom cargo was virtually abandoned. The A. M. settled with libellant as for total loss, returning to libellant on account cargo saved to the net value of \$9,000. Held, That there was a constructive total loss of cargo; that there was an actual loss of all "profits," the subject of insurance in respondent's policy, that is to say, the value of cargo over and above the amount insured by the A. M., which both parties understood to be subject of respondent's policy; that no act of abandonment to the respondent was required, because there was no possibility that any part of the subject-matter of this policy could remain after stranding, the right of the A. M. to the possession of the whole cargo being superior, and incompatible with any possible abandonment of sugar to respondent; that the subsequent receipt of a part of the sugar on account of settlement with the A. M. was merely by way of payment of its liability, and in no way inured to the respondent's benefit. Hence, the libellant was entitled to recover the amount insured. *Canadian S. R. Co. v. Ins. Co. of N. A., U. S. D. C.*

Life.

Reinstatement. Waiver.

A condition avoiding a policy of life insurance if quarterly premiums were not paid at the end of four days of grace is not waived by the fact that insured had frequently been reinstated after default in making payments, where such reinstatement had always been made upon the production of a health warrant, and with the express agreement that the reinstatement should not waive the forfeiture

for future non-payments. *French v. Hartford L. & A., Mass. S. J. C.*

Recovery of Premiums Paid out of Husband's Money.

Where the wife, without the husband's knowledge or consent, has procured a policy of insurance on his life for her benefit, and used his money in paying the premiums, he may recover from the company the money thus paid. But the testimony of the husband that the wife "had no income, and never earned any money," does not authorize the conclusion that insurance premiums paid by the wife on a policy procured by her on the husband's life, without his knowledge or consent, were paid with his money, and is therefore not sufficient to support a judgment in his favor against the company for the money paid. *Metropolitan v. Monahan, Ky. C. C. A.*

Residence. Knowledge of Agent.

A foreign insurance company waived a condition of the policy that insured must reside within certain limits, where its agent authorized to receive premiums when due received premiums with knowledge that insured was living in forbidden territory, though such agent had no authority to waive such condition, as notice to the agent was notice to the company, especially where the policy provided that premiums paid before such breach should be the property of the company, and no premiums paid after such breach were returned.

Insurable Interest.

In an action on a policy of life insurance it appeared that the beneficiary's father died when she was but two and one-half years old; that her mother married again; that Adam Neal, the insured, who was her uncle, had raised her and had been a father to her all her life; that she had lived with her uncle until her marriage and, since her marriage, next door to him, where he resided with his sisters, and that the plaintiff always helped to support them. Held, That such facts gave the niece an insurable interest in the life of her uncle. *McGraw v. Metropolitan, P. Sr. C.*

Accident.

Voluntary Exposure Defined.

In an action on a policy of accident insurance the court instructed the jury that, in order to make the act of the insured a voluntary exposure to unnecessary danger "he must have acted with gross or wanton negli-

gence, or otherwise it was not a voluntary exposure to unnecessary danger." The court also instructed the jury that a voluntary exposure to unnecessary danger means "a conscious or intentional exposure, if the insured in this case believed, or had reason to believe, that he was endangering his safety by attempting to drive his bull from this inclosure, then I charge you that he can not recover. If, on the other hand, he did not believe or have any reason to believe that there was any danger to himself in that attempt, then I charge you that it was not a voluntary exposure to unnecessary danger." Held, That these instructions correctly stated the law. *Johnson v. London G. & A. Mich. S. C.*

Where Verbal Assurance is Not a Contract.

Where, from the terms of such application, it is apparent that the agent in question has no authority to write for the company any binding contract of insurance; that no statements made by him to the applicant are to bind the company; that the application itself shall not be binding on the company until accepted by its secretary; and "that the policy shall not be in force until actually issued" from the company's office,—a mere verbal assurance by the agent to the applicant that he is insured from the date of the application and the giving of the receipt does not constitute a contract of insurance upon which an action can be maintained. *Fowler v. Preferred, Ga. S. C.*

Total Disability.

A policy of accident insurance provided for the payment of weekly indemnity "if such injuries, independently of all other causes shall immediately, continuously, and wholly disable and prevent the insured from performing any and every kind of duty pertaining to his occupation." Insured was a barber and after the injury went to his shop and attempted to do some work, but he suffered such pain that he fainted away and was sent home in a hack. During the first week of his disability he was somewhat better and visited his shop each day, suffering pain all the time and occasionally working a little, but was unable to perform all of his duties because of pain, but after that he was compelled to remain in bed for some time. Held, That such disability was within the meaning of the clause in the policy, and the insured could recover therefor. *Hohn v. Inter-State Casualty, Mich. S. C.*

MARINE.

Wrecks.

From The Strand.

The *Newburn* ran into the *Winston* in a thick fog at Thames Haven, and the last-named ship turned over and sank. The *Newburn* was beached for safety. This, of course was a bad disaster, but worse was to follow. The big *Erasmus Wilson* came steaming slowly up, meditating on the perils of the deep. She heard the guard-boat frantically sounding its siren, as it stood guard over the two wrecks, but she had not the remotest notion that she herself was near the spot. "Surprise," therefore, is a mild word to describe the emotion of the *Erasmus Wilson* when, without a moment's warning, she crashed heavily into the poor, disabled *Newburn*, and finished her up by cutting her in two.

Though nothing seems very much amiss with the blundering *Erasmus Wilson*, she also became a total wreck. All three ships were wrecked, in fact. The *Newburn* was soon pulled out of the way, and her two halves fetched respectively the ludicrous sums of £15 and £79.

Volumes might be written about peculiar wrecks. The ss. *Wick Bay*, which lay in 30ft. of mud near King's Lynn, for four years baffled all attempts to remove her from the Lynn Channel. When at last she was raised, 3,000 tons of mud were discharged from her by the pumps, the divers manipulating the suction pipes inside the vessel.

Nothing can be more curious than the history of persistently unfortunate ships. Take the case of the ss. *Daphne*. The floating of this unfortunate vessel, which capsized at the end of the launching ways, and drowned 124 workmen, was a ghastly undertaking, as may be imagined.

The subsequent history of this vessel is interesting. After being re-named the *Rose*, she filled with water at Londonderry, and was again pumped out. Later on, she tore her petals out at Millport, and was again floated. The owners, becoming alarmed at her career, sold her, and the name was changed to *Ianthe*. Ill-luck still pursued her, and after committing various marine depredations, she was again sold in disgust, this time to the country of her fabled gods, the Greeks, and she is now sailing as the *Eleni*, at Smyrna.

Naturally, owners whose wrecked ships are fully insured are not backward in abandoning the vessels to the underwriters and claiming

the insurance. The underwriters, however, are never in a great hurry to pay up, and quite rightly. They want to see photos, and hear reports from the "Salvage Association."

A great ship was lying in dock, like scores of other great ships. Between her and the side of the quay was an ordinary barge. The name of that barge was *Edward*—just plain *Edward*. Well, the tide fell, and the big vessel heeled slightly over, crushing up the barge as she did so like an egg-shell.

A ship that fired by spontaneous combustion was *Micronesia*, and hers was a curious case. Her total value was about £6,000, yet, as she was insured for £13,000, her owner recovered that sum in the most legitimate manner possible. The fire seems to have run along the whole of the bags of nitrate which formed the cargo, and burned every scrap of wood-work in the skin of the vessel. The *Micronesia* was at length taken in tow by a tug and beached at Deal. The nitrate, usually soft and powdery, became as hard as rock, and had to be removed with pickaxes.

This leads up to that very interesting feature of modern wrecking, which is known as "selling the right of the beach." We will suppose a big ship is stranded hopelessly on a terrible coast. Well, some qualified person stakes out "claims" on the adjacent beach, and invites speculators to bid for these claims. When all are sold, each purchaser takes up a position on his bit of beach and anxiously waits for what the waves will send him, as the ship goes to pieces. It may be bales of valuable merchandise, or it may only be fire-wood. Still there is an element of gambling about the transaction which makes it particularly fascinating to speculators.

The accident to the Norwegian vessel *Turiste* was one of the most remarkable in maritime records. The *Turiste* lay in Barry Dock, Cardiff, on October 6th, 1896. Floating around, "permiscous-like," were sundry enormous stacks of timber, and it was one of these that virtually wrecked the *Turiste*. As a fact, the timber-stack began to go to pieces, but instead of toppling over and injuring the vessel that way, the stack began to break up *under water*. The result was that hundreds of big logs worked their way beneath the vessel, and began to push her up out of the water at one end! The *Turiste* sustained considerable damage, and it cost between £300 and £400 to repair her.

A MARINE decision is printed in our law department this month.

LIFE.

Judge Seawell's Decision.

In the Crosbie Case (Jenkins v. Pacific Mutual, San Francisco Sr. C.) a jury was expressly waived by the attorneys on both sides. The case was tried on the amended complaint and answer, and on the testimony as given in open court. At the conclusion of plaintiff's testimony defendant moved the court for a non-suit, on the ground that the evidence was insufficient to entitle plaintiff to recover; that plaintiff had failed to show that insured had sustained violent and accidental injuries which alone had caused his death; and that plaintiff had failed to establish affirmatively that the insured's injury or death had resulted from accident, according to the policy.

The court reserved its decision thereon until all the testimony should have been introduced. The defendant having introduced its testimony and plaintiff having introduced testimony in rebuttal, the counsel submitted the case on oral argument. The court took the same under advisement and later rendered a decision in favor of defendant company.

The *Coast Review* for January contained a report of this case, and the court's decision to the effect that the burden of proof lay with plaintiff. Judge Seawell's findings of fact and conclusions of law, briefly summarized, were as follows: On April 1, 1892, George Douglas Atcherlie Crosbie applied for an accident policy from defendant's agent in the City of Mexico, in the sum of ten thousand Mexican dollars, and was given such policy. On June 13, 1892, said Crosbie died; but the said Crosbie did not receive any accidental injury and did not die of any accidental injury within the meaning and terms of said contract of insurance. Under the facts so found, plaintiff is not entitled to recover in this cause, and defendant is entitled to judgment against plaintiff for its costs in this action.

Judge Seawell based his decision on the opinion of Justice Harlan, in *Travelers v. McConkey*, 8 S. C. R. 1302, 127 U. S.; also on the recent case of *Whitloch v. Fidelity & Casualty*.

The insured and two or three friends left the house, near the city, for a moonlight rabbit hunt. They separated, and later Crosbie was found dying, from a gun-shot wound. There was no evidence of accident, and there was evidence of suicide. Crosbie, though virtually penniless, was heavily insured in life and accident companies. His ventures

had turned out badly, and his English relatives were importuning him for money. Recently he had been drinking heavily and had threatened to commit suicide. There being no exemption for suicide in the life policies, they were paid, though one company effected a compromise. The accident insurers rightly refused to pay.

In Assessment Life Insurance the Average Age and the Average Cost will Increase.

The following illustration of the fundamental error of assessment life insurance was originally circulated by the Covenant Mutual people, we believe, to demonstrate the weakness of the name-stealing Covenant of Galesburg, an alleged Odd Fellows insurance association which is now in trouble. One of our San Francisco general agents later gave the illustration a general application. The variety of so-called life insurance of which it treats has virtually passed away, but the re-organized associations succeeding the original associations continue to ignore the basal law of average mortality, with few exceptions. Fifteen years ago assessments were levied regardless of age, and there are still a few struggling fraternal societies which do likewise. Failure is inevitable; and so, too, though surviving longer, must the modern assessment company fail if its net rates are not substantially the same as those of the old-line company:

The advocates of assessment insurance insist that they can keep the assessments from increasing by keeping the average age of members from increasing by the admission of new and young members. This is so transparent an error as scarcely to merit notice; but one example will show the impossibility of preventing the increase of the average age. Take a society with 8,182 members, whose average age is 35.* The total years of age is $8,182 \times 35 = 286,370$ years. The deaths for ten years (according to the mortality table) will be as follows: 1st year, 73; 2d, 74; 3d, 74; 4th, 75; 5th, 76; 6th, 77; 7th, 77; 8th, 78; 9th, 80; 10th, 81; total, 765.

At the end of the 10th year they have 7,417 members, age 45—

$7,417 \times 45 = 333,765$ years
Add 765 new members at age 35 = 26,775 years

And you have 8,182 members . . . 360,540 years whose age is 41 6-100 years, an increase of 9 6-100 years. If you add 765 members at age 20, the average age is 42 $\frac{2}{3}$ years, an increase of 7 $\frac{2}{3}$ years.

The average age will increase; the young and healthy will drop when they begin to see what they are paying for the old members who are dying. It is impossible to keep the average age at 35. The co-operative men assert that insurance with them cannot cost more than \$8 to \$12 per \$1,000. To show

the falsity of this, take a society with 10,000 members, aged 35, insured for \$1,000 each. Here is a liability of \$10,000,000! The expectation of life at 35 is 31.78-100 years, say 32 years. This \$10,000,000 must, therefore, be paid in 32 years. 10,000 members, paying as much as \$12 a year for 32 years, will pay only \$3,840,000, or \$6,160,000 less than the liability. Now, if the members cannot be required to pay more than \$12 per annum, how is the deficit of \$6,160,000 to be made up? If they pay only \$12 a year, how long will it require to pay the \$10,000,000? Answer: 83 years. This would require that they attain the average age of 118 years! or 51 years over the expectation, according to the table of mortality.

While the net cost of \$1,000 insurance, at age 35, is only \$9, the cost steadily increases to \$11 at age 45, \$18 at age 55, \$40 at age 65, \$62 at age 70, \$115 at age 80, \$445 at age 90, and \$1,000 at age 95. These facts illustrate, among other things, the greater advantages of an average or level premium, which is never excessive, and which prevents the policyholder from being forced to abandon his insurance, owing to the increasing "natural premium," without any return for past payments when overtaken by old age, as, at any rate, policies on the assessment plan have no value for surrender. By the "level premium" plan, owing to increasing dividends, the tendency is to become less costly with advancing age and inability to pay, whereas, under the "assessment" plan, the cost increases in proportion as the ability to pay diminishes.

* NOTE.—The American Experience Table of Mortality begins with 100,000 persons at age 10. At age 35 there are 81,822 living. The first year after, 732 will die, and the second year 737 will die, and so on, the above figures being based upon these facts and the gradually increasing death rate from year to year.

Life Paragraphs.

LOOKING over a copy of the defunct Mutual Benefit's Messenger, printed when the association was in the agony of dissolution, we note that the Insurance & Commercial Magazine (April, '89) said the fraud was "solvent beyond assault" and able "to meet all demands." A few weeks later this "solvent" association went into the hands of a receiver, leaving \$400,000 claims which have never been paid. We recall this endorsement of an insolvent concern, because the Mutual Reserve Fund and other assessment associations are suspiciously fond of quoting similar endorsements from the Insurance & Commercial Magazine. Moreover, at the same time the unreliable California insurance department also stamped the rotten concern with its approval.

SILLY "EXPENSE" PERCENTAGES.—The Policyholders Pocket Index for 1897—the copy before us, at least—contains a column of ratios of "expenses and taxes to new business."

The only reason for such a column is to make the book sell—to companies least economically managed. Take a life company doing little new business but having a large amount of assets. Its ratio of expenses and taxes is of course larger than a less economically managed company doing a large amount of new business. The casual reader naturally draws the inference, as desired, that the expensively managed company has a low expense ratio, whereas its real expense ratio is deftly concealed by the senseless inclusion of taxes. Expense ratios are generally misleading, and are often purposely made so. Companies doing a large amount of new business in a legitimate way are made to appear at a disadvantage when compared with companies doing little new business. In this chart case the percentages are meaningless and misleading. What on earth have a company's taxes to do with its new business? Like the peddler's razor, the Spectators' Pocket Index, such as the one before us, was evidently made to sell. An example of the misleading nature of these silly, not to say dishonest ratios, is to be found in the comparison of the Travelers' figures with those of a company transacting about the same amount of new business in 1896. The Travelers' "expense ratio" is given as 2.82, and the other company's as 4.87; whereas, the real expense ratio of the Travelers is 20 per cent. of the premiums, and the real expense ratio of the other company is less than 19 per cent. of the premiums. This is a fair example of the misleading character of these silly Spectator ratios.

A CERTAIN woman life insurance solicitor in the South writes that what she and other women soliciting life insurance need is "fairy stories to tell the doubting Thomases and make them decide in our favor." As a specimen "fairy story" she relates how once upon a time, when she started out on her maiden trip as a life insurance solicitor, she devoted her entire time to instructing her representatives. At a certain place she was busily engaged talking to one of her agents, when a certain Mrs. G. called. Naturally the conversation, after a few moments, turned on life insurance, and so much interested did the caller become that she exclaimed, "You may not have meant it, but I am convinced that the endowment plan is a duty every mother owes her children. She has no right to bring girls into this world and leave them to the capricious mercy of men, either father, brother or husband. When my income reaches me, January

1, 1898, I will positively take a \$10,000 policy for my five girls." As the new solicitor, instructing a still newer solicitor, did not realize the fact that now is the accepted time, she let Mrs. G. depart without urging her to sign an application and take the insurance at once. Alas! in one month she died, and thus her good intentions of caring for the comfort and happiness of her children was never carried out. It has taught these two women solicitors a lesson which they will not soon forget.—*The Standard*.

THREE funeral and sick benefit associations in Detroit failed last month.

ANOTHER hazard of wildcat insurance is suggested by William Berg's collection of "dues" long after the International Fraternal Alliance had bursted.

COL. TATE, the absconding State treasurer of Kentucky, having been unheard from for ten years or more, the law says he is officially dead, and therefore the life insurance companies must pay the insurance. Here is a hint to ambitious "conveying" insurance commissioners. Let them insure their lives first, then pocket a year's fees, then go to the Klondike. When their stealings are spent, their "widows" can collect the insurance money and join them.

THE Kentucky court of appeals has decided that it is against public policy for one with an insurable interest in the life of another to procure insurance on the life of such person without his knowledge and consent. This may be true, but not more so than the statement that it is against public policy for such uninsured person to neglect to insure. When a person has an insurable interest in a piece of property he can insure that interest without the knowledge or consent of the owner. This is considered sound public policy. A wife, especially a mother, has an insurable interest in the life of the husband and father, and she should have the right to insure that interest by securing indemnity for the loss of her partner the bread-winner. It does not lessen that right, nor the validity of the contract, if she takes her husband's money to pay the premiums, for when she married she surrendered both opportunity and privilege to make money for herself; she formed a partnership with her husband, and undertook to look after the home while he undertook to be the provider. But the ungallant Colonels of the Bourbon State, in their manly wisdom and might, have ruled otherwise.

It is sometimes asked why the premiums paid on a fraudulent policy should not be returned by the company. We shall undertake to answer this question as soon as informed why the company should return money to a confidence operator. Bills providing for such return should be entitled bills to encourage fraud. The companies can be relied on to do justice.

REALLY, the Kansas superintendent seems to have been right in assuming his authority to exceed that of the courts. He has demanded that the insurance companies shall pay claims alleged to be fraudulent and on trial in the courts; and the companies acknowledge that he is right by paying the same; and the courts acknowledge it too, by taking no action in the matter. Westward the course of martial spirit takes its way: only the brave deserve the shekels.

THERE was a little more delay than anticipated by the *Coast Review* when it warned the public that the Masonic Mutual Benefit Society of Indiana was moribund and was compromising and repudiating claims. But the end has come. The society has made an assignment. There are 171 adjusted death claims unpaid and not a cent in the treasury. Moral: beware of "Masonic" mutual benefit insurance societies. And "Odd Fellows" too.

THE NATIONAL LIFE has created the office of superintendent of agencies and has appointed to the position James B. Estee, at present and for several years past the successful manager of the company's Wisconsin agency. Mr. Estee has had a good deal of experience in field work, as agent and superintendent of agents, and will therefore assume his new duties on March 1st well equipped to satisfy both the directors and the agents, and to produce good results for this excellent Vermont company.

THE MUTUAL LIFE secured an injunction from the Federal courts against the Kansas freak superintendent of insurance, and continued to do business. The New York Life did likewise. Afterward the Mutual Life withdrew from the State, and the Populist supreme court set up a "company of straw" and knocked it across the border. Altogether, five big, solvent companies have withdrawn from Kansas. The companies should make common cause and stand together against official blackmailers. It is too much to hope that a general retirement would be effective. The Ishmaels would stay.

THE Mutual Life now has \$936,634,496 in force. This is a gain of \$18,000,000 in the year. Assets gained \$19,000,000.

THE Mutual Life has paid the largest death claim, issued the largest policy and received the largest single premium of any company in the world.

For a license to do business—where State warrants for years have been stamped “not paid for want of funds”—\$24,000 is a pretty stiff price, even if competition has been reduced.

COMPLAINT is made of the Covenant Mutual of Galesburg because it has been over-assessing its members, thereby accumulating \$300,000 more than the mortality expenditures. The managers are merely taking on ballast for the expected “blow.” The by-laws have been changed, and new policies will have a stipulated premium. The old members have the “privilege” of exchanging old for new policies—or remain in “post mortem” class and be assessed out of the association.

AN AGENT for the Connecticut Mutual Life Insurance Company made a remarkable offer at Topeka yesterday, says the *Kansas City Journal*. He hung up \$100 to be given to any policyholder in the Connecticut Mutual, the New York Life or the Mutual Life, who, in a public manner, would indicate that he was dissatisfied with the way in which these three companies had handled the Hillmon case or with the general way in which these companies were being managed. He believes that the people who take out and pay for insurance are not in sympathy with McNall and his arbitrary proceedings, and that all of McNall's backing comes from people who do not carry insurance of any sort.

ORATOR AND PRESIDENT DEPEW says that while Daniel Drew died in debt, he knew him at a time when he had \$19,000,000. He also knows another gentleman when he had \$3,000,000 on deposit in the same bank in which he is now clerk at \$1,200 a year; and that there are a dozen men in New York who ask him for occasional loans of 50 cents to \$5 who when he first came to New York were among the rich men of that city. Depew says his extensive and long experience as counsel of rich people brings him to the conviction that about eight out of ten rich people lose their wealth before they die. Life insurance, he says, is better than any other form of investment for the man of moderate means.

NOTES.

A recent incorporation is the Colorado Mutual Assessment (accident) of Denver.

The Home Life increased its insurance in force a million and a half last year. Gains were made in assets and surplus.

“Best since 1893” is the record of the Union Mutual for 1897.

“Over \$100,000,000 in force now”—the Union Central Life of Cincinnati. Wonderful growth.

Chas. A. Capwell, formerly of San Francisco, has been elected secretary and actuary of the Northwestern Life of Chicago.

The Fraternal Alliance of Baltimore has received its official quietus.

Agents of the Union Casualty met in annual convention in St. Louis last month.

The Bankers Life of Chattanooga gave it up after a year's experiment.

The Covenant Mutual of St. Louis will enter several States this year.

A 3½ per cent. interest basis for life reserves is proposed in the Massachusetts legislature. “It is coming.”

A new nonforfeiture act, applying to assessment associations, is proposed in New York.

The Empress Assurance Corporation, the London wildcat, is dead.

The Old Line Life Ins. Co. has been incorporated at Indianapolis—probably by new line people.

The Connecticut Indemnity is to be converted into an old line company.

The New York Life refuses to receive applications from New York brokers who hold no contracts with the company.

The Odd Fellows Mutual Aid of Indianapolis lost nearly two thirds of its members in a year and is now in ghost land itself.

The American Surety successfully prosecuted two defaulting officials named Walker, but who were not related.

Last month the banqueting Chicago life underwriters listened to a long address by Prof. Somebody, who said not a word about life insurance.

The Michigan insurance commissioner insists that the law requires a 3 per cent. tax on gross premiums including return premiums and amounts paid for reinsurance. The law is an outrage. Underwriters must go into politics.

We are sorry to chronicle the fact that the New York Life has paid the notorious Hillmon claim. The Kansas superintendent of insurance, formerly a Hillmon attorney, has demanded that all the defendants pay this fraudulent claim or get out of the State.

A New York bill divides companies into domestic, State (other-State) and foreign. Domestic and State companies are to pay 2½ per cent. of the difference between gross premiums and losses and expenses, regardless of reinsurances; foreign companies are to pay 5 per cent.

Table of Authorized Assessment Associations' California Business in 1897.

NAME.	LOCATION.	New Policies Written.		Premi- um.	Policies in Force Dec. 31, 1897.		LOSSES Paid.
		No.	Amount.		No.	Amount.	
Bankers Alliance	Los Angeles	115	\$ 186,000	\$4,307	2,020	\$ 4,583,000	\$ 20,478
Bankers Life Ass'n	Des Moines, Ia.	651	1,302,000	1,648	1,697	3,394,000	14,000
Bankers Life Ass'n	St. Paul						
California Mut. Benefit Soc'y	San Francisco	2,509	11,735,223	30,108	2,193	2,312,300	6,684
Connecticut Indemnity Ass'n	Waterbury	74	115,400	2,438	195	325,950	3,300
Covenant Mutual Life Ass'n	Galesburg, Ill.	368	715,375	13,056	3,246	6,724,625	92,250
Des Moines Life Ass'n	Des Moines	22	76,500	1,982	51	142,500	
Fidelity Mutual Aid Ass'n . . .	San Francisco	760	330,600	14,100	1,045	227,525	4,071
Fidelity Mutual Life Ass'n . . .	Philadelphia	171	613,233	15,071	796	2,272,233	33,000
Hartford Life & Annuity	Hartford						
International Indemnity	San Francisco	2,836	298,400	26,689	2,003	214,375	1,915
Merchants Life Ass'n	St. Louis	4	10,000	234	4	10,000	
Ministerial Life Ins. Co.	Los Angeles	960	1,326,250	26,422	1,134	1,528,750	3,000
Mutual Indemnity	San Francisco	212	21,200	4,240	206	20,600	608
Mut. Reserve Fund Life Ass'n	New York	423	1,468,500	5,336	1,803	6,234,650	69,200
New England Mut. Acci. Ass'n	Boston	25	156,750	300	26	174,250	499
Northwestern Life Ass'n	Minneapolis	85	205,000	3,609	231	535,600	
Northwestern Life Assur'g Co.	Chicago	61	172,000	4,048	2,149	6,376,000	81,400
Pacific States Life	San Francisco	252	419,000	16,132	273	472,500	
Weekly Benefit Society	San Francisco	3	225	36	223	16,725	1,455
Empire Life	New York	29	43,000	1,010	29	43,000	
Home Mutual Life	Detroit	20	66,000	1,416	20	66,000	
Knights Temp. & Masoue Life	Chicago	19	50,000		28	85,630	
		9,599	19,310,656	\$172,182	19,372	\$35,760,213	\$331,860

Industrial Soliciting.

No sensible man will waste time and effort in walking long, long miles to canvass. Let him *begin next door*, and go over the whole of his own immediate neighborhood. In that way he will meet with many people who are known to him and to whom he is known, and will receive a fair hearing, at least. He will come across many people whose places of abode were unknown to him, but whose faces were familiar. These he could only discover by canvassing from house to house, which every new agent must make up his mind to do assiduously and well. Some men dislike that. Then why on earth have they taken up the work? They think it is degrading and humiliating, which is absurd. It rests with the advocate so to conduct his canvass as to make it both ennobling and dignified. A man may get rebuffs, but if so, he will find that he himself is largely to blame for that. If he is impolite, he may expect rude handling—"your doings you must do, most politely, most politely." Assume by your own courtesy that a gentleman is one, and a lady the same, and

they will almost invariably be on their best behavior, even though they may have nearly forgotten how to be gentle and kind. Don't be afraid of ruining your hat brim, but raise it as often as need be. Politeness may cost a new hat occasionally, but it will have earned it ten times over. An agent one day had to treat with a person who had the reputation for being a "tartar," with a gift for "language." He knocked at the door and she flung it open ready for the fray, but the agent quietly raised his hat politely, and smilingly wished the lady a good morning, and the lady's face at once lost its venom and she became most gracious and obliging. By courtesy and politeness you will best overcome the difficulties of canvassing people who are not by nature sweet of temper or gentle in disposition. You will prevent them from treating you harshly, and prevention is easier and better than overcoming difficulties.—*Assure.*

THAT Georgia spider-bite claim has been paid.

The Pacific Mutual's 30th Annual Statement.

SOME OF THE LARGEST GAINS IN THE HISTORY OF THE COMPANY—INCREASED DIVIDENDS TO POLICYHOLDERS—EXTRAORDINARY AMOUNT OF NEW BUSINESS.

The affairs of the Pacific Mutual Life Insurance Company of California have responded to the quickening touch of the country's reviving prosperity. The statement of the company's business during 1897, and of its condition at the end of the year, when compared with former annual statements presents ample proof of this declaration. The company has prospered more than usual, and is in a better condition with brighter prospects than at any time in its history.

The extraordinary percentage of increase of insurance in force is particularly pleasing to the management. This gain, like the flattering figures of the business in California where the company is best known, testifies to the satisfactory nature of the Pacific Mutual's policies and dealings with policyholders.

The several divisions of the company's statement when compared with the previous year's show creditable gains. Insurance in force in the life department increased from \$15,278,860 to \$16,638,552, which is a substantial gain of \$1,359,692. Assets advanced \$175,566 and are now \$3,259,518. Liabilities, legal reserve and other, leave a surplus of \$288,953, which is a gain of over \$35,000. Income over disbursements was \$146,886. Premiums were nearly a million (\$946,431), a gain of some \$60,000. Interest earnings, \$210,077, advanced some \$18,000. On the basis of the gross assets at the beginning of the year, this amount gives the extraordinary average rate of interest of 7 per cent. Increased dividends were paid policyholders. The improved state of business is further indicated by a diminution of the amount paid for surrendered policies. During the year some of the company's real estate was disposed of at considerable advantage.

The industrial department has got far

beyond the initial expense period, and a number of the departments have become self-sustaining. Some very satisfactory returns from this branch of the business may now be confidently expected. The company has a field of its own in this work, and is supplying needed protection to the better-class of industrial people in the Pacific West.

The accident department, too, is in a healthy condition, and is contributing directly and indirectly to the prosperous growth of the Pacific Mutual. The company stands at the head in accident business here at home.

Altogether, the progress of this old California company is conservative and healthful. Business written "sticks," not only because it is well selected and obtained under normal conditions, but because the policyholders are satisfied with their contracts and with the management of the company.

COMPANY'S PROGRESS, SHOWN BY ASSETS.

1887	.....	\$1,687,814	24
1888	.....	1,968,696	05
1889	.....	2,147,681	13
1890	.....	2,268,469	45
1891	.....	2,389,042	69
1892	.....	2,605,513	90
1893	.....	2,711,424	76
1894	.....	2,839,916	70
1895	.....	2,936,222	12
1896	.....	3,083,952	46
1897	.....	3,259,518	81

Death of Ex-President Willard.

Charles E. Willard, a well known Eastern life underwriter, was killed by a fall on January 24, in New York. He slipped on the steps at an elevated railway station, fell backward and fractured his skull. Death soon followed. Mr. Willard was secretary of the reorganized Charter Oak, and later superintendent of agencies for the Provident Savings Life. He was afterward successively vice-president and president of the society, succeeding Mr. Homans. Both the ex-presidents died suddenly in the same month.

The Kansas Insurance czar has driven out four solvent life companies with tens of millions of assets, but admits the Bankers Life of Kansas City, which has about \$25,000 assets and is a humbug. State insurance supervision is a blessing for frauds.

Failure of the Bankers Alliance of Los Angeles.

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 AFFAIRS OF THE ASSOCIATION BADLY INVOLVED—REINSURANCE IN A CHICAGO WEAKLING—ASSETS ABOUT \$25,000 AND UNPAID LOSSES ABOUT \$125,000, BESIDES OTHER OBLIGATIONS.

The Bankers Alliance, an assessment association with headquarters in Los Angeles, has at last passed into the hands of a receiver, and thereby fulfilled the predictions of the *Coast Review*. The Bankers Alliance was nearly ten years old. It lasted longer than the average of its kind, but not so long as seems possible for some which are managed with more aggressiveness and less scrupulousness. For example, the Mutual Reserve Fund.

The rates of the Bankers Alliance were too low, and therefore it failed. Some time ago the late managers prepared a new table of rates based on the experience of old line companies, but as the association was already embarrassed, it was feared that the new rates would only drive out the sound lives and not increase the receipts. This, it was thought, would leave the association in a worse condition, with a greater mortality percentage. So the faint-hearted managers struggled on, under a heavy load bound to crush, and refused to adopt the same measures which have given similar Eastern schemes an extension of life.

It is just as well, however. Failure was inevitable. It was only a question of time. The members of the Mutual Reserve Fund and similar speculations should draw the proper moral. We recall the fact, with some satisfaction, that when the *Coast Review* wrote up the Bankers Alliance, analyzed its figures, exposed the weakness of its plans, warned the public, and predicted the failure of the association, it was roundly abused by a Los Angeles investment sheet.

The moving spirits in the Bankers Alliance—the men who overloaded and doomed it—reckless, extravagant and incompetent managers—slipped away when it gave signs of foundering. They went to Denver and organized a similar scheme,

writing a similar combined life and accident contract at inadequate rates. Their venture is dubbed the Bankers Mutual Life Ins. Co. It will have the same fate as their bursted Bankers Alliance. We do not hesitate to denounce the Denver concern and warn the people against it, just as we denounced the Bankers Alliance and warned the people of California against it.

The men who were recently inveigled into assuming the management of the Bankers Alliance, as the rats were deserting the sinking ship, cleaned it up and fumigated it and patched the holes as well as they could. Soon discovering that the wreckers had scuttled the boat, they tried to reinsure the policyholders in an old-line company. Failing in this, one or two new men were induced to lend a helping hand. Negotiations were begun with the Mutual Reserve Fund, but were unsuccessful because of some differences as to first payments. Meantime losses were accumulating and suits were begun for the recovery of various sums. Then it was resolved to increase the rates to practicable figures, and create a new class; but this plan was abandoned and the coming catastrophe calmly awaited. The reinsurance was offered here and there, and finally accepted by the Chicago Guaranty Fund Life Society, for which there was recently a petition for the appointment of a receiver. This was the best arrangement the management could make.

The bad condition of the Bankers Alliance has been known to Commissioner Clinie for several months.

The Chicago reinsurer has sent notices to the members of the Bankers' Alliance, notifying them of the reinsurance and demanding increased premiums and immediate payment. We understand that this reinsurance does not require a new medical examination. For the sake of dues, the reinsurer is willing to assume the extra burden of all the impaired lives of the defunct Los Angeles society. While we feel warranted in recommending the impaired lives to accept the reinsurance

offer, we feel equally warranted in recommending the sound lives to reject it. There are stronger assessment companies ready to accept you, like the Bankers Life of Des Moines; or, better still, take out some form of old line life insurance.

Chicago Guaranty Fund Life.

On December 31, 1896, the Chicago Guaranty Fund Life Society, the reinsurer, had \$224,187 assets. Its income for the year was \$175,054 and its outgo \$163,831. Assessment mortuary receipts were \$94,531; losses paid were \$100,164, with \$14,500 incurred and \$6,000 resisted in addition. Dissatisfied members, startled by rumors of mismanagement and embarrassment, applied for a receiver. While this was not granted, an examination was ordered. In some respects the examiner's report was favorable; in others not. There were more lapses than new policies. Expenses were pronounced too high. The *Mutual Underwriter's* chart gives the following death rate per thousand for '92-'96: 1892, 10.90; 1893, 10.80; 1894, 13.38; 1895, 15.76; 1896, 14.50. This is a good deal higher (treble) than the death rate of the late Bankers Alliance. How can the members of the latter expect the Chicago concern to meet old and new obligations? Doubtless the management of the Bankers Alliance has done the best possible for the members as a whole, under the circumstances; but they individually, excepting the impaired lives, of course, can do better themselves. They can go farther and fare better.

The Certificate-Holders are Liable.

A year ago the Bankers Alliance of Los Angeles, now no more, had nearly 7,000 members. There have been disquieting rumors meantime, and not much effort to fill gaps with new members. Perhaps the membership when the receiver was appointed was 4,000. These members are liable in law for the \$125,000 unpaid claims. It is a just debt. The liability was assumed in consideration of "insurance at half price." Forty dollars apiece, promptly paid, should be sufficient to wipe out these claims and pay the nec-

essary expenses. The members should regard the claims of widows and orphans as sacred. But we fear they won't. The receiver should at least collect what he can by legal stress, and pay something to claimants, in addition to the little cash on hand—if any.

One feature of the Bankers Alliance statement and plan was certificate-holders' notes. This, we believe, is also a distinguishing feature of the new Ministerial Life of Los Angeles. It is stated on good authority that scarcely enough of the society's \$70,000 notes can be collected to pay the costs of collection. The notes are virtually worthless. This item of assets, it is plain, should not receive much consideration in estimating resources, unless they bear interest at least.

California Miscellaneous Business.

The improved condition of trade in California is reflected in the larger returns of the companies writing accident and other business. Gains were made in new business of the accident, employers' liability, fidelity and surety companies.

Accident business was profitable as losses were light. The Pacific Mutual continues in the lead in this class of business. The *Ætna*, *Frankfort*, *Preferred Accident* and *Standard* made handsome gains.

In employers' liability new business, the *Frankfort* takes the lead, with a doubling of its writings and premiums. Gains were made by the *Employers' Liability* and *Standard*, and the *Union Casualty & Surety* has obtained a good foothold.

Plate glass premiums are a few hundred less. The *New York* leads in this branch. Steam-boiler premiums fell off slightly.

Fidelity and surety business increased notably. The *Pacific Surety* leads in this branch.

SOMETIMES it may be well to apply for a receiver. Such a course may have become inevitable. But it does not necessarily follow that such an application implies insolvency nor even a condition approaching it. It is the habit of some briefless barristers to take hopeless cases in the belief that money can be extorted from defendants too busy to spare time for litigation. The ordinary methods calculated to irritate into a compromise being exhausted in vain, an impudent appli-

cation for the appointment of a receiver is made. This is the last card of the shyster, and if it prove to be not a trump the game is at an end. It is not even necessary to swear to such a complaint to secure the desired publicity.

Their References.

A "whole lot" of good people have endorsed the Bankers Alliance and the Ministerial Life, both of Los Angeles.

The only difference between the two associations is that one is dead.

California Assessment Business.

The assessment associations doing an authorized business in California report totals of new business and insurance in force much less than a year ago. During the year the Equitable Indemnity, World Mutual Benefit and Massachusetts Benefit failed, and the National Life of Hartford and the Security of Binghampton found it advisable to retire. The Bankers Alliance has gone to pieces since January 1. The Des Moines Life, the Merchants of St. Louis, the Empire, Home Mutual and Knights Templar & Masonic are new comers. The Independent Order of Foresters, compelled to report at home as an insurance society, is allowed a free field. The figures of the Cal. Mut. Ben. are meaningless and should be deducted in considering the totals. How they are computed, with the consent of the insurance department, we shall not try to guess. Writing about the same number of new policies as last year, the amount has advanced from \$204,320 to \$11,735,223, while with a less number in force insurance in force amounts to only \$2,312,300. The Conn. Indemnity, Mutual Indemnity, New Eng. Mut. Acci., the Northwesterns of Minnesota and Illinois, the Pacific States, Bankers Alliance and the Weekly Benefit lost in new business. The Bankers Life of Des Moines gained largely in new business and insurance in force.

Tsiuh! Tsiuh! Just listen to this from *Thrift*, the organ of the thrifty make-believes: "Some of the old-line insurance journals make a specialty of abusing assessment and fraternal insurance in general and this, that or the other assessment, or fraternal, organization in each issue and conspicuous among the journals of this character is the *Coast Review*, of San Francisco. This particular journal apparently labors under the mistaken notion that the best method of selling one style of goods is to run down the merchandise of its rivals, and ammunition in the shape of facts is rarely used in its bombardment of the rivals of the old-line system of life insurance."

Recent Pacific West Death Claims.

Benicia, Cal., J. W. Jones	\$ 2,064
Cimarron, Colo., Orrin F. Smith	2,000
Cripple Creek, Colo., Edw. S. Morrison .	1,500
Del Norte, Colo., Wm. A. Wasson . . .	3,000
Denver, G. Barton Armitage	2,500
Denver, James H. Jordan	10,000
Fresno, Cal., Thos. S. Price	2,000
Fresno, Cal., H. C. Warner	5,655
Hillside, A. T., A. J. McMurray	1,200
Healdsburg, Cal., G. H. Peterson . . .	4,052
Lakeport, Cal., W. L. Osborne	2,000
Livingston, Mont., P. Hoopes, Jr. . . .	1,192
Los Angeles, Cal., Henry Fenton	1,000
Los Angeles, Cal., Margaret Flynn . . .	5,000
Los Angeles, Cal., Otto Ruf	3,000
Los Angeles, Cal., F. Manuel	5,000
Los Angeles, H. G. Billings	3,731
Montclair, Colo., J. S. Thompson	5,000
Napa Co., Cal., Robert Brownlee	5,011
Oakland, Cal., R. Landon	2,000
Oakland, Cal., Reynolds Landon	2,018
Oregon City, Or., N. O. Waldren	5,340
Oregon City, Or., N. O. Walden	10,000
Petaluma, Cal., Henry Wilsey	4,000
Petaluma Cal., Babette Meyer	2,500
Phoenix, A. T., Annie M. Lee	2,000
Phoenix, A. T., Charles D. Ayers	3,005
Pomona, Cal., Bert H. Shutt	2,000
Pomona, Cal., Bert H. Shutt	2,000
Portland, Or., Wirt Rodkey	2,000
Portland, C. R. Bernard	3,004
Portland, Henry Jacobs	1,000
Portland, Thos. A. Davis	5,013
Portland, A. H. Steadman	1,000
Redwood City, Cal., Louis Pfeifer	1,000
Reno, Nev., C. A. Jones	3,500
Rio Vista, Cal., B. N. Bertleson	1,197
Roseburg, Or., D. F. Allison	2,095
Salt Lake City, H. G. Bradford	1,000
Salt Lake City, Carl Edwards	2,000
San Diego, Cal., D. Owen, Jr.	1,138
San Francisco, H. E. Seidack	2,000
San Francisco, W. Lilienfeld	1,020
San Francisco, Jno. Christensen	1,000
San Francisco, Barnet Stone	2,000
San Francisco, E. Bare	15,000
San Francisco, Ch. Frankhouser	2,000
San Francisco, John A. Read	1,860
San Francisco, F. W. McLoughlin	2,364
San Francisco, Luke Robinson	19,519
San Jose, Cal., Rebecca S. Hensley . . .	1,000
Sausalito, Cal., S. S. Fiedler	2,000
Soledad, Cal., Harris Cohn	2,018
Stockton, Cal., F. T. Baldwin	1,500
Stockton, Cal., G. C. Clark	2,110
Tacoma, Wash., Thos. R. Jordan	10,000
Victoria, B. C., James McArthur	5,000

The Equitable Life Assurance Society.

LARGE GAINS DURING THE PAST YEAR— SURPLUS NOW OVER FIFTY MILLIONS— INCREASED NEW BUSINESS.

The thirty-eighth annual statement of the Equitable Life Assurance Society of the United States is a "top-notch" record, with several grand totals which exceed those of any other life insurance society. A comparison with the statement for the preceding year shows that many large gains were made in 1897. The totals are impressive, as follows:

Surplus	\$ 50,543,174.84
Insurance in force	951,165,837.00
Assets	236,876,308.04
Income	48,572,269.53
Paid to policyholders	21,106,314.14
New business written	156,955,693.00
Proposals for insurance exam- ined and declined	24,491,973.00

The Equitable's totals are always large. It is only by comparing them with those in the preceding annual statements that we obtain an idea of the increased progress of the society, and of the improved business conditions prevailing in 1897. During the past year the Equitable made the following extraordinary gains:

Increase in insurance in force . .	\$36,063,767.00
Increase in assets	20,102,360.69
Increase in surplus	7,265,995.72
Increase in income	3,561,211.15
Increase in new business	29,261,609.00

The Equitable stands at the head of all life insurance companies in the amount of insurance in force and in the amount of surplus. In assets it ranks high among the few leading financial institutions of the world, and is second to none in the character of its investments or in the security of its contracts. Of its nearly 237 millions of assets, over 126 millions are invested in first-class National, State, municipal and other securities whose market value is over seven millions more than cost. Bonds and mortgages and real estate and secured loans and cash in banks absorb the remaining 111 millions.

Last year's income exceeded 48 millions; payments to policyholders exceeded 21 millions; total disbursements exceeded

33 millions. New insurance written was in round numbers 157 millions, bringing the total amount in force up to over 951 millions.

The society's actuaries report as follows:

The average rate of interest earned on the assets of the society in 1897 was 4.60 per cent.

On a calculation that the society will receive only 4 per cent. as its future average rate of interest, the surplus, after deducting all liabilities, is \$50,543,174.84.

On a calculation that the society will receive only 3 per cent. as its future average rate of interest, the surplus, after deducting all liabilities, is \$29,014,300.00.

The surplus of the society is greater than the surplus of any other life assurance company in the United States or Europe, on similar computations.

Whatever percentage of interest the society may receive in the future in excess of the rate used in the above computation, is accumulated and invested for the greater increase of its surplus for the benefit of its policyholders. An apportionment of profits will be made as usual to policyholders during the year 1898 in the manner specified in their respective policies.

The Pacific Coast department, under the management of A. M. Shields, is in a flourishing state, writing a largely increased amount of new business. The gain in California alone last year was equal to two-thirds of the total gain by all companies. New business written in California by Manager Shields' department last year was \$4,561,210, against \$2,300,000 in the previous year. The Equitable leads this year in the record of new business written in California in 1897, and by its large gain in this respect it advances well to the front in the amount in force in the State. Manager Shields is an aggressive worker himself, and he has a good working field staff about him.

THE Metropolitan wrote \$260,770,163 new business last year. It has 4,081,511 policies in force.

CHANGE: Geo. M. Nolen has been appointed manager for the Mutual Life for Utah and Idaho.

United States Supreme Court on Suicide and Life Insurance.

In 1891 William M. Runk, a bankrupt, took out \$200,000 additional life insurance, making a total of half a million. When taking out this additional insurance he agreed that he would not die by his own act, whether sane or insane, within two years. But this agreement was not attached to the policy and was therefore excluded from the evidence, under the Pennsylvania statutes. The defendant company claimed that Runk committed suicide in order that his life insurance money might be used to liquidate all or part of his extensive fiduciary obligations.

Plaintiff contended that the fact of insured's suicide did not, alone, avoid the policies, there being no condition in them to that effect; and, also, that if an insured person kills himself while insane, knowing the physical effects but incapable of knowing the moral character of his act, such self-destruction will not of itself prevent recovery upon the policy.

The lower courts decided in favor of the defendant Mutual Life Ins. Co., and the National supreme court affirmed their decisions. The evidence all pointed to a deliberate suicide by a wholly sane man. His income was inadequate for the payment of the required \$20,000 annual premiums. The case went to the jury on the single issue of insanity, and the verdict was that the suicide was sane. We make room for the following quotations from Justice Harlan's opinions:

Life insurance imports a mutual agreement, whereby the insurer, in consideration of the payment by the assured of a named sum annually or at certain times, stipulates to pay a larger sum at the death of the assured. The company takes into consideration, among other things, the age and health of the parents and relatives of the applicant for insurance, together with his own age, course of life, habits and present physical condition; and the premium exacted from the assured is determined by the probable duration of his life, calculated upon the basis of past experience in the business of insurance. The results of that experience are disclosed by

standard life and annuity tables showing at any age the probable duration of life. These tables are deemed of such value that they may be admitted in evidence for the purpose of assisting the jury in an action for personal injury, in which it is necessary to ascertain the compensation the plaintiff is entitled to recover for the loss of what he might have earned in his trade or profession but for such injury.

If a person should apply for a policy expressly providing that the company should pay the sum named if or in event the assured, at any time during the continuance of the contract, committed self-destruction, being at the time of sound mind, it is reasonably certain that the application would be instantly rejected. It is impossible to suppose that an application of that character would be granted. If experience justifies this view, it would follow that a policy stipulating generally for the payment of the sum named in it upon the death of the assured, should not be interpreted as intended to cover the event of death caused directly and intentionally by self-destruction whilst the assured was in sound mind, but only death occurring in the ordinary course of his life.

That the parties to the contract did not contemplate insurance against death caused by deliberate, intentional self-destruction when the assured was in sound mind, is apparent from the "provisions, requirements and benefits" referred to in and made part of the policy. These provisions of the contract tend to show that the death referred to in the policy was a death occurring in the ordinary course of the life of the assured, and not by his own violent act designed to bring about that event.

In the case of fire insurance it is well settled that although a policy, in the usual form, indemnifying against loss by fire, may cover a loss attributable merely to the negligence or carelessness of the insured, unaffected by fraud or design, it will not cover a destruction of the property by the willful act of the assured himself in setting fire to it, not for the purpose of avoiding a peril of a worse kind, but with the intention of simply affecting its destruction. Much more should it be held that it is not contemplated by a policy taken out by the person whose life is insured and stipulating for the payment of a named sum to himself, his executors, administrators or assigns, that the company should be liable, if his death was intentionally caused by himself when in sound mind. When the policy is

silent as to suicide, it is to be taken that the subject of the insurance—that is, the life of the assured, shall not be intentionally and directly, with whatever motive, destroyed by him when in sound mind. To hold otherwise is to say that the occurrence of the event upon the happening of which the company undertook to pay, was intended to be left to his option. That view is against the very essence of the contract.

There is another consideration supporting the contention that death intentionally caused by the act of the assured when in sound mind—the policy being silent as to suicide—is not to be deemed to have been within the contemplation of the parties; that is, that a different view would attribute to them a purpose to make a contract that could not be enforced without injury to the public. A contract, the tendency of which is to endanger the public interests or injuriously affect the public good, or which is subversive of sound morality, ought never to receive the sanction of a court of justice or be made the foundation of its judgment. If, therefore, a policy—taken out by the person whose life is insured, and in which the sum named is made payable to himself, his executors, administrators or assigns—expressly provided for the payment of the sum stipulated when or if the assured, in sound mind, took his own life, the contract, even if not prohibited by statute, would be held to be against public policy, in that it tempted or encouraged the assured to commit suicide in order to make provision for those dependent upon him, or to whom he was indebted.

The Mutual Reserve Fund.

PORTLAND, OR., Feb. 8th, 1898.

Editor Coast Review:

Having noted from time to time the valuable work you are doing for the cause of sound insurance in exposing the fallacies of assessment insurance, permit me to remark that your frequently expressed predictions regarding that "bulwark" (so-called) of assessment insurance, the Mutual Reserve Fund, seem to be drawing to a head. Its statement for 1897 shows that it issued about 25% less business in 1897 as compared with 1896, and its insurance in force fell off \$24,000,000. Its new business declined over \$16,000,000 and its terminations seem to have been \$80,000,000. X.

THE New England Mutual Life reports \$26,939,136 assets, \$2,127,428 surplus, \$3,527,873 premiums, and \$339,631 income saved.

General Agents Sherman & Harmon.

An increase of 95 per cent. in the amount of insurance in force in the North Pacific department, during 1897, is the remarkably good record of Messrs. Sherman & Harmon, general agents for the Penn Mutual. These energetic life underwriters represent this company for Oregon and Washington, and are building up a large and satisfactory business. It was the good fortune of the company to incur no death loss in this department last year. Evidently the risks are well selected.

General Agents Sherman & Harmon are not only successful workers, inspiring confidence themselves, but they are able to quote such prepossessing figures as these for their company, the Penn Mutual: Assets, \$32,218,031; surplus, \$3,944,876; paid policyholders, \$3,561,304; and gains in every department, such as \$3,000,000 in assets and \$13,000,000 in insurance in force, now \$147,973,567. Altogether, they wrote nearly \$500,000 new business in Oregon and Washington last year.

Forty-sixth Annual Report of the Massachusetts Mutual Life Insurance Company.

The annual statement of the Massachusetts Mutual Life Insurance Company, printed elsewhere, shows in itself a satisfactory condition of the affairs of this old society. The surplus is \$1,758,293, which is ample to guarantee the policyholders against all fluctuations of value. During last year over 20 millions of new business was placed on the books, and the amount outstanding was advanced to \$109,045,660. The statement for the previous year is not within reach, and we cannot make complete comparisons, item by item: but the totals appearing in the *Coast Review Chart* enable us to learn that the company has made creditable gains in assets and surplus, and has increased the amount at risk some 12 millions.

The Massachusetts Mutual collected \$3,816,150 from policyholders last year, paid \$2,101,052 to policyholders, paid all expenses, and added some \$1,800,000 to its assets. This is a good record. This com-

pany is sound to the heart, and is carefully and conscientiously managed.

C. M. T. Parker, San Francisco, is manager in this field. Mr. Parker is one of the several few life managers who wrote an increased amount of new business in California last year.

Ætna Life Insurance Company.

The Ætna Life made very substantial gains last year, in all departments. It has passed the 150 million post in the amount of insurance in force, and a further gain this year in assets like that last year will place the assets at 50 millions. Following is a summary of the Ætna Life's gains in 1897:

Increase in accident premiums . . .	\$ 145,452.33
Increase in accident income . . .	146,811.94
Increase in surplus	176,371.45
Increase in interest	189,207.91
Increase in income	515,402.51
Increase in assets	2,027,694.96
Increase in insurance, life department	5,025,957.00
Increase in accident insurance . . .	22,099,320.00

The Ætna Life now has \$47,584,967 assets, of which \$6,887,873 are surplus funds as regards policyholders. Last year's premiums were \$5,991,024, a gain of nearly \$330,000. The total receipts were \$8,497,551, a gain of \$515,000. It paid policyholders \$5,041,190 during the year. Altogether, since organization, the Ætna Life has paid \$104,738,998 to policyholders.

The Ætna Life shows first-rate results, as a whole and in its dealings with individual policyholders. The management is conservative and economical, and the resources of the company are large and sound.

In the Pacific West the company has well established connections, as regards both its life and accident departments. In this field the company is in charge of H. B. Houghton, superintendent of the life department, and J. H. Stevens, general agent of the accident department. The two departments have handsome offices in the Safe Deposit Building, San Francisco.

CASUALTY.

THE Ulykkesforsikrings Aktieselskabet Folket is the name of a Danish accident company.

THE FIDELITY & CASUALTY has been awarded a New York State contract for the inspection of boilers.

THE Central Accident has re-elected Secy. Butler and other officers. The company made handsome gains last year.

POLICYHOLDERS of the defunct Star Accident, a Chicago fraud, are to be heavily assessed. There are several on the Coast.

THE Mercantile Mutual Accident of Boston is embarrassed, and its failure is predicted. Better insure in old line companies.

THE Colorado department has notified the Bail, Bond & Security Association of Denver to put up, shut up or get out—to California, or somewhere else that frauds are welcome.

LONG, who shot off his foot after he had made it worth a good deal more off than on, by accident insurance, lost his preliminary suit. Evidence showed the wound to have been self-inflicted.

THE New York insurance department examined the Guarantors Finance of Philadelphia and found that its statement was exactly correct. The net surplus is over \$725,000 cash capital and all liabilities is \$854,133.

THEY always come to the surface again. Sec. Trubey went down with the wreck of the Continental Masonic of Chicago and now bobs up serenely on a new life raft which he calls the "Ancient Order of Arabia." The American people like to be humbugged.

KLONDIKE RISKS.—The Central of Pittsburg is now issuing Klondike risks. The premium is \$100 per \$1,000, with \$5 per week indemnity. Limit of risk, \$1,000. The company makes this offer to protect itself if a policyholder joins the Alaska-bound throng, as its policies are very broad in matters of travel.

THE number of Baltimore casualty and surety companies is suspiciously large. What special privilege or immunity do the Maryland laws give? There must be some advantage which induces New York capital to incorporate in another State. Is such advantage in the policyholders' favor? Let the policyholders of the defunct American ("big injun") Casualty of Baltimore answer.

Showing Employers Liability Insurance Business Done in California During the Year 1897.

NAME.	LOCATION.	AGENTS.	Amount Written.	Premiums on Same.	Losses Paid.
Employers Liability	London	Chas. J. Okell	\$ 1,057,050	\$ 42,582	\$ 17,947
Fidelity & Casualty	New York	S. C. Pardee	1,715,000	13,487	6,849
Frankfort Accident & Plate Glass	Frankfort, Ger.	Voss, Conrad & Co	4,935,000	43,716	16,791
London Guarantee & Accident	London	Edward C. Landis	884,000	5,690	653
Standard Life & Accident	Detroit	Cadman & Haight	200,000	1,200	
Guarantors Finance	Philadelphia	A. C. Donnell	472,300	4,465	
Union Casualty & Surety	St. Louis	W. Louiza & Co	135,500	3,879	2,580
			\$ 9,438,850	\$115,020	\$44,820

Showing Steam Boiler Insurance Business Done in California During the Year 1897.

NAME.	LOCATION.	AGENTS.	Amount Written.	Premiums on Same.	Losses Paid.
Fidelity & Casualty	New York	S. C. Pardee	\$ 798,000	\$ 3,174	
Hartford Steam Boiler	Hartford	Mann & Wilson	1,055,900	9,106	
Pacific Surety	San Francisco	A. P. Redding	779,000	4,247	
Union Casualty & Surety	St. Louis	W. Louiza & Co	55,000	349	
			\$ 2,708,900	\$16,936	

Showing Fidelity and Surety Insurance Business Done in California During the Year 1897.

NAME.	LOCATION.	AGENTS.	Amount Written.	Premiums on Same.	Losses Paid.
Fidelity & Deposit	Baltimore	Frank L. Gilbert	\$ 3,593,477	\$14,528	\$ 6,134
Employers Liability	London	Chas. J. Okell	3,39,000	2,287	1,866
Fidelity & Casualty	New York	S. C. Pardee	631,650	3,644	
National Surety	Kansas City	James H. Borland	7,535,849	19,851	2,337
Pacific Surety	San Francisco	A. P. Redding	5,034,594	28,887	2,954
Security Loan & Trust Co.	Los Angeles	W. E. McVey	40,125	236	
American Surety Co.	New York	J. R. Garniss	6,516,431	25,088	5,583
			\$23,724,126	\$94,321	\$18,875

Showing Plate Glass Insurance Business Done in California During the Year 1897.

NAME.	LOCATION.	AGENTS.	Amount Written.	Premiums on Same.	Losses Paid.
Fidelity & Casualty	New York	S. C. Pardee	\$ 103,448	\$ 1,987	\$ 643
Frankfort Accident & Plate Glass	Frankfort, Ger.	Voss, Conrad & Co	372,761	2,919	1,056
Lloyds Plate Glass	New York	Chas. Christensen	59,904	1,797	376
Metropolitan Plate Glass	New York	Mann & Wilson	136,190	2,128	716
New York Plate Glass	New York	J. D. Maxwell	428,575	5,479	1,716
Pacific Surety	San Francisco	A. P. Redding		857	230
Union Casualty & Surety	St. Louis	W. Louiza & Co		303	430
			\$11,105,878	\$15,670	\$5,167

Showing Accident Insurance Business Done in California During the Year 1897.

NAME.	LOCATION.	AGENTS.	Amount Written.	Premiums on Same.	Losses Paid.
Ætna Life	Hartford.	H. B. Houghton	\$ 6,804,500	\$ 18,217	\$ 9,443
Employers Liability	London	Chas. J. Okell	3,341,000	17,325	11,696
Fidelity & Casualty	New York	S. C. Pardee	9,852,771	23,780	20,987
Frankfort Accident & Plate Glass	Frankfort, Ger.	Voss, Conrad & Co.	1,445,000	12,576	4,812
London Guarantee & Accident	London	Edward C. Landis	596,500	2,470	582
Pacific Mutual Life	San Francisco	E. W. Voegt	11,552,850	64,911	20,300
*Pacific Surety	San Francisco	A. P. Redding	1,250	9	*3,502
Preferred Accident	New York	Thomas Godwin	15,131,200	25,070	4,362
Standard Life & Accident	Detroit	Cadman & Haight	2,868,500	14,083	3,212
Travelers	Hartford	John E. Finnegan	12,077,150	40,631	17,644
United States Casualty	New York	J. D. Maxwell	1,893,316	2,621	131
Guarantors Finance	Philadelphia	A. C. Donnell	110,500	441	
Union Casualty & Surety	St. Louis.	W. Loaliza & Co.	151,500	975	546
			\$36,076,037	\$228,010	\$67,927

Showing Burglary Insurance Business Done in California During the Year 1897.

NAME.	LOCATION.	AGENTS.	Amount Written.	Premiums on Same.	Losses Paid
Fidelity & Casualty	New York	S. C. Pardee	\$ 350,925	\$3,294	\$452

* Accident loss of previous year.

† Only six weeks.

FIRE.

Judge Belcher and Fraudulent Fire Claimants.

Max Stein kept a junk store on Natoma street, San Francisco. It caught fire under suspicious circumstances, and the flames communicated to an adjacent steam laundry plant. Both properties were destroyed, with a loss of \$20,000. After the loss was settled, evidence of incendiarism was received. Two affidavits were secured, charging Stein with trying to hire two men to burn the junk store. Stein proved an alibi, and the case was therefore dropped, though Fire Marshal Towse continued to keep him in view. This fire occurred April 9, 1894, at 11:35 p. m.

Again we find Max Stein keeping a second-hand clothing and furniture store on Third street. On December 14, 1896, a fire broke out in a closet in a living-room in the rear of the store. This fire, too, was suspicious; and after investigation the fire marshal advised the insurer to pay no more than \$5. Stein claimed a loss of nearly \$300. He insured for \$700 ten days before the fire, though the whole place did not exceed \$300 in value. He made out a list of clothing and jewelry fit to be worn by a millionaire's family. Moreover, the dresses found in the debris did not fit any member of the family, and evidently had been second-hand goods brought in from the store in front. Stein's story of a child's accidentally throwing a match into the closet, the door of which was merely ajar, bore evidence of a made-up tale.

The insurer refused to pay this exorbitant claim, and Stein sued in a justice's court. Judge Kerrigan gave judgment for the defendant insurance company. Stein appealed the case, and last month it was tried before Judge Ed. A. Belcher of superior court No. 7. The fire marshal gave his testimony. Stein did not appear. Mrs. Stein testified as to the amount and character of the clothing lost, dwelling on silk dresses and waists, seal-skin cloaks, jewelry, etc. Judge Belcher immediately decided for the defendant company, with costs. He said he placed no reliance whatever on the testimony of Stein's witnesses. Their testimony was denounced as utterly untrustworthy and ridiculous. The judge was evidently very much in earnest, for he declared that such manifest attempts to defraud would receive scant courtesy in his court. Every power of the court would be exerted to discover, punish and therefore abate incendiarism and the fraudulent insur-

ance claims which when successful must stimulate arson and jeopardy human lives. Judge Belcher's righteous wrath is timely and refreshing.

The Continental on the Coast.

The Continental's Coast business last year yielded a total of \$116,410 premiums. Losses incurred were \$88,465, or 76 per cent. This is misleading, from the fact that the losses were largely on term business written some time ago. Liability for unearned premiums decreased \$52,216, bringing the real average per cent. of loss to 52 per cent. The recording agency figures for the Coast last year are: premiums, \$81,243; losses incurred, \$41,224, or a trifle over 50 per cent. The farm agency premiums were \$35,167. This figure, plus the decrease in liability for business run off the book, gives a farm loss ratio of 54 per cent.

The Old Franklin Fire of Philadelphia.

The Franklin of Philadelphia began the new year with increased assets and a larger surplus. The past year was a very prosperous one in the underwriting department of the company. Losses incurred were only 46 per cent. of the premiums, and there was no increase of liability to offset this favorable experience.

The "charter perpetual" Franklin now has \$3,115,695 assets and \$1,107,735 net surplus. These figures attest the great strength of the company. Over one-third of the assets is surplus over capital and all liabilities. Nearly half is clear surplus as regards policyholders. Last year's losses and expenses left a margin of 30 per cent. of the income.

The Franklin is represented in this field by Ed. E. Potter, who wrote \$58,345 premiums for the company, or just double the amount for the previous year. The loss ratio was only 20 per cent.

THE FARMERS of Indiana have been grossly misled by Governor Mount, who is a demagogue of the anti-corporation type. In response to his call they have organized a union of mutuels and are trying to extend their business. The

president, one Jones of South Bend, read them an address at their recent meeting, and deliberately deceived the poor creatures with quotations from the tricky Governor's message and with misrepresentations of his own. Like one of our California legislators, he omitted expenses from his tables and thereby proved that every dollar over losses paid is clean profit to the stock companies. The deceived farmers went forth resolved to vote again for the good governor who had opened their eyes, and to persevere in their efforts to pay losses and Jones's salary.

New Agency Firm of Maxwell, Nippert & Sloan.

The J. D. Maxwell general and city agency, representing ten or more companies, has been succeeded by a new firm, entitled Maxwell, Nippert & Sloan. The members of the new agency firm are J. D. Maxwell, Paul M. Nippert and Clarence B. Sloan, and they make a good combination, for which nobody will hesitate to predict success.

Mr. Maxwell, who came to this city many years ago from Iowa, has had experience as a local, special, city and general agent, and has always been able to command the city representation of a number of the strongest companies. He has also represented a number of companies as general agent.

Mr. Nippert began insurance work as a local agent in Santa Rosa many years ago, and was afterward special agent, general agent and manager. More recently he superintended the field work of the Home and Phoenix general agency, which position was given up on account of ill health. Mr. Nippert has returned from Oregon with recovered health, and at once re-engages actively in San Francisco fire underwriting.

Mr. Sloan is an energetic young man, experienced as a solicitor and in office work, who has long been connected with the Maxwell agency. He brings into the new firm a good line of business.

The exclusive city agency of the Home and Phoenix has been secured. Messrs. Maxwell, Nippert & Sloan now represent

as San Francisco agents the following named companies:

Royal Ins. Co., Liverpool, Eng.
Williamsburg City Ins. Co., New York.
German Alliance Ins. Ass'n, New York.
United States Fire Ins. Co., New York.
Home Insurance Co., New York.
Phoenix Insurance Co., Hartford.

The new firm also represents as general agents the following named companies:

Continental Insurance Co., New York.
United States Casualty Co., New York.
New York Plate Glass Ins. Co., New York.
Metropolitan Identification Co., New York.

Secretary Brown.

M. O. Brown, Western general agent of the Westchester, who recently visited the Pacific Coast, has been elected secretary of the company. From what we learned of the gentleman during his visit, we too can endorse the statement that the directors have acted wisely and have found the right man for the place.

The Western department will hereafter be known as the Western office, and will be in charge of Fred W. Lotz, assistant secretary. Secretary Brown will remove to New York.

IOWA'S NEW State law taxes foreign companies $3\frac{1}{2}$ per cent. on their gross premium receipts, which is one per cent. more than other-State and two per cent. more than Iowa companies are required to pay. In one case Secretary Sherman held that this law could not apply to Swiss companies, owing to treaty provisions; but we have not heard of the State authorities making an exception in favor of the Swiss. The foreign companies, however, are pluckily resisting the law, on the ground that it discriminates against them. The special iniquity of the law is the taxation of gross premiums.

PITTSBURG has had another big fire, with a loss of several lives and of a million and three-quarters property. The firemen were handicapped by iron doors and shutters of the burning buildings. This form of protection, as we pointed out many years ago, is often objectionable

when the shutters are bolted from within. Much valuable time is lost in the breaking of these shutters. This might be obviated by locking them all with a common lock, all over the city—if it is necessary to lock them—in the upper stories at least. The firemen could then be furnished with a duplicate key. It required three hours to get the fire under control. Two large buildings were destroyed and seven men were killed.

Manager Dornin's Big Team, the National and Springfield.

BOTH COMPANIES MAKE LARGE GAINS IN ASSETS AND NET SURPLUS—LOSSES WERE LIGHT.

Manager George D. Dornin of the Pacific department of the National and Springfield reports an advance in premium receipts and a low loss ratio, as usual. If the reader will turn to our general agency business table, printed elsewhere (page 85) he will note that Manager Dornin's department reports a gain in premiums every year. This is extraordinary. The position of the department in this respect is certainly unique, for no other Coast department or general agency is able to report an annual gain in premium income.

In 1890 the premium receipts of the Coast department of the National and Springfield were \$158,023; last year they were \$300,724. with only 43.6 per cent. losses incurred. The growth in the intervening years has been steady and healthy. We need not total the premiums and losses to form a correct idea of the profitable character of the business transacted. The column of low loss ratios at the right—low even during the rate wars—tell the story of sure profit, just as the column of premiums at the left tell the story of uniform gains.

Manager Dornin is one of the pioneers in Pacific Coast fire underwriting, and has exerted a powerful influence for good practices, adequate rates and organization. It is therefore a special pleasure to note and comment on his uniform and

conspicuous success in the business. Mr. Dornin has also been ably assisted by his son, Geo. W. Dornin, the assistant manager, who has been an apt pupil in a good school under a first-class tutor.

Manager Dornin came to California with the argonauts, in search of gold, but engaged in business in San Francisco. The conflagrations of the pioneer days of pine and tent stores included the young merchant among their victims. In those days, as he informs us, men were daily returning from "the mines" with lugubrious tales of hardships, failures and discouraging reports of the speedy exhaustion of the placers; yet soon thereafter these same "exhausted" placers yielded 50, 60 and 70 millions annually. This statement gives a hint of what may be expected of the Klondike and Alaska diggings.

In the 60's Mr. Dornin began his fire insurance career in North San Juan, in California of course, as local agent of the Phoenix of Hartford. In 1871 he became general agent of the Fireman's Fund, and was afterward appointed secretary of the company. So he is one of the numerous successful graduates of this well-known local institution. His connection later with the acoustic Lion, Imperial, Orient, and National, and later with the Springfield, is of comparatively recent happening and more or less familiar to the average reader of this journal.

The National.

The annual statement of the National Fire Insurance Company of Hartford shows a very favorable year. The results of the year's transactions have materially added to the strength of the company. The assets were advanced \$364,000, and the net surplus made an almost equal gain. The company was peculiarly fortunate in the matter of losses, only 46 per cent. of the premiums being required to discharge these obligations.

The National now has \$4,485,193 assets and \$1,380,419 net surplus. The net surplus plus the cash capital gives us a total of \$2,380,419 surplus as regards policyholders. In other words, for every dollar

of liability the National has over two dollars cash assets. This proportion indicates the excellent character of the indemnity embraced in the insurance contract of this very successful company.

Last year's premiums aggregated \$2,103,019; losses, only \$975,171. After paying losses and expenses, there was left \$477,838 of the year's income. The stockholders were paid handsome dividends, and the large remainder was added to the reserves to strengthen the security of the policyholders.

The Springfield.

Over \$400,000 was added to the assets of the Springfield Fire & Marine Insurance Company last year, and the net surplus was increased nearly half a million. This is a remarkably good record, and we should have to search many statements to find its equal. The gain in net surplus was fifty per cent. The loss ratio was only 46 per cent. Premiums were \$1,747,024, and losses were only \$809,542. The total income was \$1,920,333; losses and expenses were \$1,479,457, leaving the large balance of \$440,876 to the good on the year's business.

The Springfield began the present year stronger than ever, with \$4,507,276 assets, over sixty-three per cent. of which large sum is surplus as regards policyholders. For every dollar of liabilities to policyholders there are over two dollars of funds. The net surplus over capital is \$1,350,890, and the \$1,500,000 paid-up capital added makes the surplus as regards policyholders \$2,850,890. This is an extraordinary surplus, which, together with the proportion it bears to the assets, proclaims the strength of the Springfield and the character of its indemnity.

—A Minnesota farmer, on the approach of a prairie fire, put his household goods into a wagon and carted them to a place of safety. This left his house "vacant," according to the Farmers' Mutual in which he was insured. Payment was actually refused on the ground of vacancy. That is the sort of insurance the farmer gets in the average "Farmers Mutual."



Offices Pacific Department

NATIONAL, of Hartford,

SPRINGFIELD, of Massachusetts.

Colorado Cullings.

Special Agent F. O'L. Buck has been in Montana the past month looking after the agencies of the L. & L. & G. in that State; he has also visited the principal points in Utah.

Special Agent Charles F. Wilson is away from home looking after the interests of the Scottish Union & National in Utah and Montana. Travel seems to agree with "Charlie," and he is looking first class.

Special Agent Frank M. Avery and wife are making an extended trip through the Western portion of the territory presided over by Mr. Avery, and their trip has taken them through Utah, Montana and Wyoming. They are expected home in the near future.

Montana Mutterings.

Special Agent C. A. Layng has been spending some time in Montana trying to plant the Franklin and Williamsburg City. It is rumored that he is not meeting with the success expected, as most of the Montana agents have no use for non-boarders, and don't wish to have their Board managers even suspicious that they might have either of these companies on excess commission, or for the purpose of cutting rates.

Special Agent Jolly of Salt Lake City has been a resident of Butte for several weeks past, looking after the adjustment of the losses caused by the recent series of fires in that city, and as it is more than probable that several of them are of incendiary origin, it is hoped that the companies will make careful inquiry and try to bring the culprits to justice.

Special Agent Ed. Niles is doing Montana for the North British and Greenwich. It is rumored that he is anxious to reach San Francisco in time for the annual dinner of the Fire Underwriters' Association.

Manager Gilbert visited Salt Lake City the first of the month to meet Secretary Alfred Stillman and Manager Sam. M. Donnell of the Salt Lake office.

A great surprise to the insurance fraternity in general was the sale of the H. E. Owen Agency on the first of the month to Lynch & Bachelor. Mr. Lynch is the retiring postmaster, and Mr. Bachelor has been teller in the First National Bank for a number of years. As these gentlemen are both wealthy and well and favorably known, they should make a strong team. It is rumored that Mr. Owen goes to Los Angeles to locate.

Special Agent Harry H. Smith has a new company that he is planting in this section, the Law Union & Crown. Smith says it is a big gun in the "Old Country," and the name ought to make it go with some people.

The Butte Hotel has been the headquarters of a number of specials the past month, among them being Frank M. Avery and wife, Fredrick O'L. Buck, C. F. Wilson, Geo. H. Mendell, Jr., E. J. Jolly, H. H. Smith and several others.

Special Herman of the Helvetia Swiss is a new face in this field, but we are seeing many new ones since the formation of the new Board, and presume the managers must be feeling more liberal than they were during the "rate-war" period.

Mr. Harry L. Luke of the Butte Insurance Agency is taking a vacation and is doing San Francisco, Southern California, Arizona and the Mardi Gras at New Orleans.

Utahwise.

There has been quite a thinning out of the resident special agents since the holiday season closed, and all the boys are away from their accustomed haunts.

Special George H. Mendell, Jr., is looking after the interests of the Fireman's Fund and Home Mutual in Montana, and his office door is closed to the visiting local for some days to come.

Special Agent E. J. Jolly is making a long sojourn in the city of Butte. He must have become mixed up with some of the recent suspicious fires in that city, and is probably trying to save his companies some money.

Manager Capt. Donnell was made happy by the visit of his superior officer lately, Secretary Stillman of San Francisco having spent several days in Salt Lake with him. Manager Gilbert of the Butte Compact Office was also a visitor at the same time. It has been several years since Mr. Gilbert has visited here before. He was at one time one of the force at the Compact Office in Salt Lake, and has many friends among the insurance fraternity here. Manager Burns of the Denver Compact Office was also a visitor, and it is presumed these gentlemen talked over many plans for the improvement of the business in general in the territory presided over by them, and it is to be hoped that much good will result from their deliberations.

Pacific Coast Fire General Agency Business in 1897.

In the following compilation of business by agencies the losses and loss ratios for 1897 are losses and ratios incurred, not paid, as in former years.

<i>Agencies, Agents, Secretaries.</i>	<i>Pre-miums.</i>	<i>Losses Paid.</i>	<i>Ratio</i>
1 B. Faymonville.			
Fireman's Fund, 1897 . . .	\$482,711	\$236,440	46.9
Rhode Island Underwriters . .	39,727	20,893	52.6
Ins. Co. State of Penn. . . .	26,964	14,503	53.7
Boston Marine	3,206	. . .	. .
Total 1897	\$552,608	\$261,836	47.4
1896	496,407	274,337	55.2
1895	601,186	235,540	39.1
1894	692,217	315,504	45.6
1893	632,284	270,113	42.7
1892	723,466	341,944	47.2
1891	580,179	297,770	39.3
1890	556,238	218,358	39.2
San Francisco prem's, 1897 . .	65,943	. . .	. .
1896	55,419	. . .	. .
1895	80,534	. . .	. .
1894	71,778	. . .	. .
1893	81,980	. . .	. .
2 Rolla V. Watt.			
Royal, 1897	\$267,287	\$163,230	61.4
Queen	128,939	87,464	67.8
Total 1897	\$396,226	\$250,694	63.3
1896	379,960	187,203	49.2
1895	340,338	210,766	61.9
1894	303,024	173,280	57.1
1893	299,296	181,238	60.5
1892	332,253	168,703	50.8
1891	326,005	150,644	46.2
1890	346,686	127,572	36.8
San Francisco prem's, 1897 . .	72,133	. . .	. .
1896	75,733	. . .	. .
1895	62,116	. . .	. .
1894	49,930	. . .	. .
1893	48,110	. . .	. .
* 3 L. B. Edwards.			
Manchester, 1897	\$201,648	\$112,424	55.7
Caledonian	124,666	88,945	71.3
American, N. J.	53,214	28,370	53.2
Total 1897	\$379,527	\$229,739	60.5
1896	359,739	238,239	66.2
1895	379,260	185,316	48.8
1894	402,918	245,249	60.8
1893	446,576	236,141	52.8
1892	440,844	207,042	47.0
1891	406,016	141,242	34.8
1890	416,851	230,777	55.3
San Francisco prem's, 1897 . .	41,769	. . .	. .
1896	41,471	. . .	. .
1895	53,223	. . .	. .
1894	64,690	. . .	. .
1893	64,455	. . .	. .

* Assumed management Aug. 1, 1896.

	<i>Agencies.</i>		<i>Prem's.</i>	<i>Losses.</i>	<i>Ratio</i>
4	A. E. Magill.				
	Home and Phoenix	1897 .	\$376,884	\$279,504	74.1
		1896 .	426,878	255,438	59.8
		1895 .	579,417	221,301	38.5
		1894 .	357,795	177,945	51.4
		1893 .	366,359	154,376	42.9
		1892 .	358,370	114,063	31.9
		1891 .	323,735	160,377	49.5
		1890 .	312,079	185,316	59.4
	San Francisco prem's, 1897 .		31,885		
		1896 .	44,636		
		1895 .	71,836		
		1894 .	33,721		
		1893 .	26,104		
5	C. F. Mullins.				
	Com. Union, 1897	\$228,317	\$	73,468	32.2
	Com. Union, N. Y.	5,319		2,500	47
	Alliance	130,112		49,082	37.7
	Total 1897 (three co's)	\$363,748	\$125,050		34.4
	1896	233,898	115,476		49.3
	1895	262,300	88,908		33.9
	1894	319,372	147,469		46.2
	1893	350,681	110,935		31.6
	1892	366,491	167,998		45.8
	1891	348,097	109,599		31.5
	1890	348,249	118,642		34.0
	San Francisco prem's, 1897 .	80,568			
		1896 .	40,427		
		1895 .	46,955		
		1894 .	59,404		
		1893 .	64,824		
6	H. K. Belden.				
	Hartford Fire	1897 .	\$355,846	\$161,971	45.5
		1896 .	332,617	144,852	43.5
		1895 .	325,984	121,635	37.6
		1894 .	330,757	155,258	46.9
		1893 .	331,674	141,525	42.6
		1892 .	316,066	117,798	37.2
		1891 .	287,459	106,887	37.3
		1890 .	274,670	85,545	31.1
	San Francisco prem's, 1897 .	36,780			
		1896 .	30,652		
		1895 .	33,446		
		1894 .	51,296		
		1893 .	50,104		
7	Wm. J. Landers.				
	Imperial, 1897	\$187,077	\$59,070		31.6
	Lion	128,240	49,357		38.5
	Total 1897	\$315,317	\$108,427		34.4
	1896	341,508	170,806		50.0
	1895	379,556	201,135		53.0
	1894	406,230	119,406		29.6
	1893	358,551	156,964		43.5
	1892	423,705	198,698		45.9
	1891	370,351	119,481		32.3
	1890	272,417	73,497		27.0
	San Francisco prem's, 1897 .	53,717			
		1896 .	49,801		
		1895 .	74,521		
		1894 .	84,692		
		1893 .	85,497		

<i>Agencies.</i>	<i>Prem's.</i>	<i>Losses.</i>	<i>Ratio</i>
8 Wm. Macdonald.			
Lond. & Lancashire, 1897	\$285,835	\$140,214	49.0
Norwalk	25,200	1,870	07.4
Total 1897 (two co's)	\$311,035	\$142,084	45.7
1896	216,226	163,059	66.2
1895	309,512	160,462	51.8
1891	424,851	178,749	42.1
1893	444,031	179,780	40.5
1892	400,576	188,126	40.8
1891	375,708	102,528	27.3
San Francisco prem's, 1897	88,727		
1896	85,674		
1895	92,609		
1894	125,828		
1893	131,899		
9 Geo. D. Dornin.			
National, 1897	\$200,483	\$ 85,135	42.4
Springfield	100,241	46,031	45.9
Total 1897	\$300,724	\$131,166	43.6
1896	293,758	172,739	58.8
1895	289,114	149,132	51.5
1894	247,450	137,139	55.4
1893	221,656	130,118	58.7
1892	217,548	101,633	46.7
1891	177,139	69,773	39.4
1890	158,023	61,459	39.0
San Francisco prem's, 1897	24,652		
1896	23,797		
1895	35,974		
1894	20,319		
1893	22,318		
10 Chas. A. Laton.			
Palatine	1897 . \$300,253	\$123,420	41.1
1896	293,450	164,411	56.0
1895	360,745	211,498	58.6
1894	504,092	231,440	45.9
1893	424,978	200,366	47.1
1892	211,337	75,037	35.5
1891	152,951	55,769	36.4
San Francisco prem's, 1897	36,186		
1896	25,458		
1895	38,619		
1894	88,936		
1893	58,432		
11 Edward Brown & Son.			
American, Pa., 1897	\$119,527	\$ 53,910	
Svea	164,377	55,740	
Agricultural (Since Aug. 1)	10,216	...	...
Total 1897	\$294,120	\$109,650	37.3
1896	214,252	105,382	49.1
San Francisco prem's, 1897	42,914		
1896	32,947		
12 Chas. D. Haven.			
Liv. & Lon. & Globe 1897	\$284,837	\$128,131	45.0
1896	274,228	147,467	53.7
1895	300,585	155,044	51.6
1894	393,529	214,146	54.4
1893	426,132	223,008	52.5
1892	422,259	200,459	49.6
1891	388,255	144,036	37.1
1890	402,316	167,726	41.7

<i>Agencies.</i>	<i>Prem's.</i>	<i>Losses.</i>	<i>Ratio</i>
San Francisco prem's, 1897	52,975		
1896	41,352		
1895	92,669		
1894	125,828		
1893	131,899		
13 Boardman & Spencer.			
Aetna	1897 . \$271,336	\$146,951	54.1
1896	250,101	123,907	49.5
1895	262,692	123,044	46.8
1894	265,312	116,138	43.7
1893	281,162	138,361	48.7
1892	305,386	132,513	43.4
1891	310,006	118,790	38.3
1890	284,822	76,232	26.7
San Francisco prem's, 1897	33,855		
1896	23,	426	
1895	37,932		
1894	47,411		
1893	53,145		
14 Geo. H. Tyson.			
German-American	1897 . \$236,839	\$79,890	33.7
United States Fire	16,787	4,260	25.4
Total 1897 (two co's)	\$253,626	\$84,150	33.2
1896	186,826	83,271	44.0
1895	180,696	77,162	42.7
1894	234,421	117,868	50.9
1893	248,470	116,187	46.8
1892	254,759	111,380	41.8
1891	166,491	64,684	38.8
San Francisco prem's, 1897	35,573		
1896	27,393		
1895	30,168		
1894	41,426		
1893	35,198		
15 Voss, Conrad & Co.			
Thuringia, 1897	\$220,394	\$ 50,496	22.9
Traders	14,583	6,377	43.7
Total 1897	\$234,977	\$ 56,873	24.2
1896	173,721	45,364	26.0
1895	80,174	22,093	27.5
1894 (five co's)	144,837	48,326	33.3
1893	134,318	49,559	36.9
San Francisco prem's, 1897	64,389		
1896	49,170		
1895	35,000		
1894	68,501		
1893	113,761		
16 W. J. Callingham.			
* Sun Ins. Office, 1897	\$182,668	\$102,854	56.3
Orient	51,892	31,055	59.8
Total 1897	\$234,560	\$133,909	57.1
1896	210,180	119,862	57.0
1895	211,339	117,933	53.3
1894	275,681	153,249	55.6
1893	240,580	114,190	47.4
1892	229,706	107,094	46.6
1891 (three co's)	278,735	135,060	48.4
1890	250,942	102,731	40.9
* Ten and a half months.			

<i>Agencies.</i>	<i>Prem's.</i>	<i>Losses.</i>	<i>Ratio</i>
San Francisco prem's, 1897	31,498		
1896	19,059		
1895	22,570		
1894	36,276		
1893	35,978		

17 Tom C. Grant.

North Brit. & Mer., 1897	\$205,944	\$ 79,311	38.4
Greenwich	26,905	14,082	52.5
Total 1897	\$232,849	\$93,393	40.1
1896	208,819	93,927	44.9
1895	211,908	116,680	55.0
1894	241,804	84,714	35.0
1893	258,543	135,022	52.2
1892	264,905	102,487	38.6
1891	253,482	85,946	34.0
1890	177,358	84,722	47.0
San Francisco prem's, 1897	31,741		
1896	27,504		
1895	30,005		
1894	45,470		
1893	46,235		

18 Stephen D. Ives.

Home Mutual 1897	\$205,405	\$102,750	50.0
Total 1896	197,470	112,736	57.0
1895	220,979	118,981	53.9
1894	256,628	157,652	61.4
1893	298,191	121,184	40.6
1892	324,498	129,715	39.9
1891	327,157	132,196	40.1
1890	342,464	137,395	40.1
San Francisco prem's, 1897	17,664		
1896	18,841		
1895	21,875		
1894	21,363		
1893	23,490		

19 T. Edw. Pope.

Pennsylvania, 1897	\$171,070	\$ 90,553	52.3
Union, Phila.	30,087	8,886	29.5
Total 1897	\$201,157	\$ 99,439	49.4
1896	191,785	56,464	29.4
San Francisco prem's, 1897	23,075		
1896	14,795		

20 Cesar Bertheau.

Aachen & Munich, 1897	\$109,303	\$61,918	56.6
Hanover	66,118	24,732	37.4
Mutual	9,817	1,025	10.0
Total 1897	\$185,238	\$ 87,675	47.3
1896	152,785	55,010	36.0
1895	110,840	56,781	51.1
1894	152,201	51,417	33.8
1893	148,933	57,153	38.4
1892	145,736	61,768	42.4
1891	123,301	28,557	23.2
1890	101,786	27,998	27.5
San Francisco prem's, 1897	67,567		
1896	53,070		
1895	52,894		
1894	71,836		
1893	72,129		

21 Robt. Dickson.

Royal Exchange, 1897	\$170,031	\$ 79,932	47.0
1896 (2 companies)	266,743	131,863	49.4
1895 (3 companies)	345,379	177,024	51.2
1894	366,378	147,525	40.3
1893	413,934	171,075	41.3
1892	476,836	198,755	41.6
1891	387,601	141,924	36.6
1890	322,474	160,886	49.9
San Francisco prem's, 1897	46,760		
1896	51,964		
1895	96,904		
1894	131,832		
1893	142,883		

22 R. C. Medcraft.

Scot. Union & Nat'l, 1897	\$168,091	\$ 76,106	45.3
San Francisco prem's, 1897	20,273		
New Department. Ten and a half months.			

23 Butler & Haldan.

Phoenix, London 1897	\$135,001	\$ 76,040	56.3
Providence-Wash.	30,492	25,167	82.5
Total 1897	\$165,493	\$101,207	61.1
1896	165,590	105,670	62.8
1895	177,255	110,389	62.2
1894	224,653	114,336	50.9
1893	194,394	99,510	51.1
1892	243,870	101,391	41.6
1891	225,201	91,338	40.6
1890	230,841	105,655	45.9
San Francisco prem's, 1897	38,045		
1896	31,702		
1895	40,855		
1894	53,146		
1893	53,081		

24 Rudolph Herold, Jr.

Hamburg-Bremen 1897	\$155,625	\$ 65,867	42.4
1896	139,282	61,498	40.0
1895	173,047	74,603	43.0
(two co's) 1894	232,497	111,217	47.8
1893	266,974	127,781	44.1
1892	256,444	125,792	49.0
1891	238,071	84,205	35.4
1890	237,971	108,382	45.5
San Francisco prem's, 1897	53,750		
1896	42,261		
1895	58,592		
1894	87,129		
1893	86,495		

San Francisco prem's, 1897

1896	42,261		
1895	58,592		
1894	87,129		
1893	86,495		

25 Mann & Wilson.

Lancashire 1897	\$138,979	\$74,476	53.6
Teutonia	15,188	760	0.50
Total 1897	\$154,167	\$ 75,236	48.8
1896	134,934	83,193	59.4
1895	182,480	71,478	39.1
(five co's) 1894	231,989	93,910	40.8
1893	244,970	85,334	34.8
1892	276,980	119,600	43.1
1891	256,812	102,489	40.0
1890	287,427	89,721	31.2

<i>Agencies.</i>	<i>Prem's.</i>	<i>Losses.</i>	<i>Ratio</i>
San Francisco prem's, 1897 .	44,677		
1896 .	34,225		
1895 .	44,479		
1894 .	68,243		
1893 .	75,387		

26 Frank J. Devlin.

Atlas	1897 .	\$150,307	\$ 57,206	38.0
	1896 .	137,631	69,280	50.0
	1895 .	151,097	80,928	53.5
	1894 .	171,634	57,811	33.6
(several co's)	1893 .	181,892	137,281	75.5
	1892 .	200,672	97,763	48.7
	1891 .	195,716	84,867	43.1
	1890 .	188,286	93,208	49.5

San Francisco prem's, 1897 .	25,899		
1896 .	18,751		
1895 .	29,287		
1894 .	47,890		
1893 .	49,877		

27 W. H. Lowden.

Norwich Union	1897 .	\$145,726	\$ 69,676	47.1
	1896 .	110,581	67,598	61.1

San Francisco prem's, 1897 .	20,647		
1896 .	17,677		

Including return premiums and losses on joint liability under old contract with Royal.

28 Jas. D. Bailey.

Ins. Co. N. America, 1897 .	\$137,324	\$ 72,578	52.9
1896 .	136,822	72,990	53.3
1895 .	145,327	78,090	51.4
1894 .	148,900	63,607	42.7
1893 .	148,821	62,721	42.1
1892 .	171,181	67,311	39.3

San Francisco prem's, 1897 .	12,936		
1896 .	14,285		
1895 .	13,465		
1894 .	14,305		
1893 .	18,390		

29 George F. Grant.

London & Northern, 1897 .	\$125,043	\$ 61,526	49.2
1896 .	120,350	61,995	51.5
1895 .	124,182	101,302	81.6
1894 .	177,809	113,259	63.0
1893 .	196,297	95,838	48.9
1892 .	183,768	104,395	56.7
1891 .	153,570	68,722	41.7

San Francisco prem's, 1897 .	34,341		
1896 .	30,765		
1895 .	37,696		
1894 .	48,938		
1893 .	50,873		

30 W. H. Cunningham.

Fire Association	1897 .	\$122,672	\$ 55,096	44.8
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San Francisco prem's, 1897 .	8,702		
1896 .	18,018		

‡New agency.

31 J. J. McDonald.

Continental, 1897	\$116,410	\$88,465	76.0
San Francisco prem's, 1897 .	15,333		
1896 .	17,725		

<i>Agencies.</i>	<i>Prem's.</i>	<i>Losses.</i>	<i>Ratio</i>
32 Walter Speyer.			

North German	1897 .	\$112,962	\$ 37,828	33.5
	1896 .	110,712	76,527	69.1
	1895 .	122,665	54,722	44.6
	1894 .	122,250	39,338	32.2
	1893 .	106,774	41,283	38.6
	1892 .	97,653	49,238	50.4
	1891 .	93,254	27,035	29.0
	1890 .	93,443	42,460	45.4

San Francisco prem's, 1897 .	41,551		
1896 .	33,248		
1895 .	44,694		
1894 .	66,237		
1893 .	66,380		

33 Benjamin J. Smith.

Connecticut, 1897	\$103,500	\$ 49,749	48.5
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San Francisco prem's, 1897 .	14,042		
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‡New department.

34 Ed. E. Potter.

Franklin Fire	1897 .	\$ 58,345	\$ 11,790	20.2
Williamsburg City		38,510	4,210	10.9

Total 1897	\$ 96,855	\$ 16,000	16.5
1896	43,683	12,983	29.7
1895	40,897	31,884	78.8
1894	86,490	28,054	32.4
1893	117,714	33,351	28.3
1892	72,230	22,154	30.7

San Francisco prem's, 1897 .	15,394		
1896 .	13,125		
1895 .	12,535		
1894 .	14,094		
1893 .	28,942		

35 Chas. Christensen.

American Central	1897 .	\$ 52,585	\$ 19,736	37.5
St Paul		42,480	15,971	37.6

Total 1897	\$ 95,065	\$ 35,707	37.5
1896	78,524	46,097	58.7
1895	84,438	61,567	72.8
1894 (three co's)	134,177	71,943	53.6
1893 " "	153,491	74,743	48.7
1892 " "	163,149	38,439	23.5
1891 " "	132,408	37,580	28.5
1890 " "	141,421	43,208	30.5

San Francisco prem's, 1897 .	16,037		
1896 .	10,312		
1895 .	13,186		
1894 .	32,005		
1893 .	34,796		

36 Geo. W. Turner.

Northwestern Nat'l, 1897 .	\$ 93,765	\$ 33,681	35.9
1896 .	25,126	14,840	59.1
1895 .	24,612	22,106	89.8
1894 .	65,956	27,223	41.3
1893 .	30,891	10,637	34.3

San Francisco prem's, 1897 .	24,474		
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<i>Agencies.</i>		<i>Prem's.</i>	<i>Losses.</i>	<i>Ratio</i>
37 Gutte & Frank.				
Magdeburg	1897 .	\$ 93,461	\$ 45,615	48.8
	1896 .	87,377	66,708	76.3
	1895 .	111,275	51,043	45.8
	1894 .	118,013	64,089	54.0
(three co's)	1893 .	130,069	58,495	44.9
	1892 .	112,337	63,241	56.4
(four co's)	1891 .	120,712	55,993	46.2
	1890 .	130,322	65,415	50.0
San Francisco prem's,	1897 .	34,499		
	1896 .	27,662		
	1895 .	31,967		
	1894 .	54,126		
	1893 .	62,126		

38 V. Carus Driffeld.				
Transatlantic	1897 .	\$ 89,439	\$ 58,494	65.4
	1896 .	106,203	65,162	61.4
	1895 .	122,763	88,861	72.3
	1894 .	124,820	86,141	69.0
	1893 .	149,903	75,732	51.5
	1892 .	115,919	41,601	36.0
	1891 .	53,376	18,383	34.4
	1890 .	50,345	23,984	47.6
San Francisco prem's,	1897 .	26,446		
	1896 .	28,733		
	1895 .	40,970		
	1894 .	51,952		
	1893 .	51,968		

39 Catton, Bell & Co.				
Union, London	1897 .	\$ 89,079	\$ 32,425	36.4
	1896 .	96,415	60,480	56.0
	1895 .	107,415	56,902	52.9
	1894 .	130,416	59,711	45.8
	1893 .	120,540	54,886	45.5
(two co's)	1892 .	100,469	37,491	37.0
	1891 .	64,913	10,239	16.0
	1890 .	56,274	23,792	42.9
San Francisco prem's,	1897 .	20,070		
	1896 .	14,470		
	1895 .	20,650		
	1894 .	33,437		
	1893 .	35,884		

40 W. P. Thomas.				
New Zealand	1897 .	\$79,757	\$50,011	62.5
San Francisco prem's,	1897 .	20,666		
†New management. Mr. Thomas assumed management Oct. 7, 1897.				

41 Syz & Co.				
Helvetia-Swiss	1897 .	\$ 46,242	\$ 12,485	27.0
Baloise Fire		10,007	1,500	15.0
Total 1897		\$ 56,249	\$ 13,985	24.8
	1896 .	41,129	34,401	83.6
	1895 .	53,253	41,405	77.8
	1894 .	119,370	55,205	46.2
	1893 .	118,293	7,537	40.2
	1892 .	110,127	53,804	49.0
	1891 .	113,967	37,913	33.2
	1890 .	107,152	70,270	65.6

<i>Agencies.</i>		<i>Prem's.</i>	<i>Losses.</i>	<i>Ratio</i>
San Francisco prem's,	1897 .	28,643		
	1896 .	21,908		
	1895 .	27,036		
	1894 .	59,474		
	1893 .	68,599		
42 W. Loaiza & Co.				
Niagara	1897 .	\$ 10,134	\$	
Prussian National		38,771	12,483	32.2
Total 1897		\$ 48,905	\$ 12,483	25.5
San Francisco prem's,	1897 .	30,659		
†New agency.				

43 L. L. Bromwell.				
Milwaukee Mechan.,	1897 .	\$ 43,631	\$ 26,821	61.5
	1896 .	37,419	27,313	73.0
	1895 .	40,838	37,970	93.0
	1894 .	63,729	7,711	12.1
San Francisco prem's,	1897 .	5,309		
	1896 .	8,083		
	1895 .	12,714		
	1894 .	13,400		

44 H. C. Keller.				
Westchester	1897 .	\$40,494	\$ 30,198	74.5
San Francisco prem's,	1897 .	21,361		
†New agency.				

45 Davis & Henry.				
Manhattan	1897 .	\$ 20,652	\$ 4,368	21.0
San Francisco prem's,	1897 .	10,031		
†New agency.				

46 Winfield S. Davis.				
Assurance Co. of Am.	1897 .	\$ 3,007	\$	
National Standard		1,734	. . . .
Total 1897		\$ 4,741	\$	
San Francisco prem's,	1897 .	2,818		
†New agency.				

47 Baggs & Stovel.				
American. Boston,	1897	\$781	\$	
San Francisco prem's,	1897 .	779		
†New agency.				

48 G. W. McNear.				
Merchants.	1897	\$670	\$	
San Francisco prem's,	1897 .	566		
†New agency.				

Big American Fires in 1897.

Pittsburg . . . \$2,250,000	Philadelphia . . . \$700,000
Newport, Va. . . 1,450,000	Detroit 700,000
St. Louis . . . 1,250,000	Hoboken 700,000
Knoxville . . . 1,000,000	Cleveland 650,000
Philadelphia . . . 800,000	Ellis Island 650,000
Chicago 750,000	Peoria 600,000
Harrisburg . . . 750,000	Nashville 550,000
Grand Forks . . . 700,000	Philadelphia 500,000
Washington . . . 700,000	New Orleans 500,000

Outside Experience.

Our loss reports for Pacific Western States indicate increased losses in Montana, Utah and Nevada only, last year. The average loss ratios in the outside States will probably be somewhat as follows: Oregon, 48 per cent.; Washington, 45; Idaho, 85; Montana, 43; Utah, 52; Nevada, 40; Arizona, 52; Colorado, 40. But this is guess work, especially as to the latter State.

San Francisco Fire Insurance Losses in 1897.

	<i>Buildings</i>	<i>Contents.</i>	<i>Total.</i>
January	\$ 7,585	\$ 11,637	\$ 19,222
February	5,485	24,610	30,095
March	16,939	34,646	51,645
April	4,264	3,827	8,091
May	39,388	84,568	123,956
June	50,293	57,939	108,232
July	27,362	187,920	215,282
August	13,811	11,781	25,592
September	6,889	8,505	15,394
October	7,859	17,242	25,101
November	21,899	26,627	48,526
December	7,033	9,820	16,853
Totals	\$208,868	\$479,121	\$687,989

Losses on buildings were less than ten per cent. of insurance involved; losses on contents were over thirty per cent. The uninsured loss was \$123,850. Total property loss was \$811,839. These figures are compiled from the Underwriters Fire Patrol report. Losses over \$50,000 were: Patrick's tannery, \$52,087; ship *Falls of Dee*, \$92,500; Yates & Co., \$114,553. The ship loss is included in the July city fires.

Some Recent Figures.

Following are some returns filed with the insurance departments:

	<i>Assets.</i> <i>Dec. 31, 1897.</i>	<i>Net Surplus.</i> <i>Dec. 31, 1897.</i>
Ætna	\$12,089,089	\$ 4,433,719
Agricultural	2,289,971	435,736
American, Boston	624,453	148,955
American, Newark	2,900,819	1,718,228
American, Pa.	2,673,520	512,302
American Central	1,738,261	401,578
Connecticut	3,559,357	984,017
Continental	8,582,207	3,117,995
Fire Association	6,239,334	1,302,861
Fireman's Fund	3,738,300	1,257,049
Franklin	3,125,082	1,107,735
German-Alliance	446,015	130,281
German-American	7,834,699	3,678,999
Greenwich	1,484,685	436,128
Hartford	10,894,629	4,249,796
Hanover	2,997,556	584,870
Home, N. Y.	11,332,033	3,570,268
Home Mutual S. F.	924,086	351,827
Ins. Co. of North America	10,057,220	2,564,470

Ins. Co. State of Penn.	754,481	137,516
Merchants, N. J.	1,640,415	386,156
Milwaukee Mechanics	2,572,485	1,364,834
National, Hartford	4,443,018	1,380,419
Norwalk	515,418	188,334
Orient	2,422,781	716,718
Pennsylvania	5,100,286	2,197,726
Phoenix, Brooklyn	5,752,561	1,120,307
Phoenix, Hartford	5,538,379	1,022,915
Providence-Washington	1,874,397	370,148
Queen, N. Y.	4,553,955	2,143,311
Springfield	4,507,277	1,350,900
St. Paul	2,363,705	732,013
Teutonia, N. O.	688,327	201,292
Union, Pa.	678,884	170,393
United States	737,021	206,355
Westchester	2,531,362	999,827
Williamsburg City	1,797,557	935,148

U. S. Branches—

		<i>Deduct'g \$200,000 deposit capital.</i>
Aachen & Munich	829,609	356,528
Alliance	838,300	529,473
Atlas	1,028,355	364,717
Baloise	724,797	407,504
British America	1,268,315	284,900
Caledonian	2,212,278	832,758
Commercial Union	3,679,437	1,286,907
Hamburg-Bremen	1,614,405	502,177
Helvetia-Swiss	843,677	392,146
Imperial	1,910,166	789,914
Lancashire	2,447,908	514,552
Law Union & Crown	683,347	121,155
Lion	926,106	251,820
Liv. & Lon. & Globe	9,681,864	4,286,097
London Assurance	1,716,864	640,465
London & Lancashire	2,863,878	880,385
Magdeburg	881,729	332,502
Manchester	2,115,304	597,330
North British & M.	4,380,505	1,993,876
Northern Assurance	2,005,996	689,142
Norwich Union	2,414,882	1,882,768
Palatine	2,873,481	967,621
Phoenix, London	3,095,528	1,052,142
Prussian National	782,443	163,626
Royal	7,400,200	2,163,476
Royal Exchange	867,021	369,725
Scottish Union	4,056,487	1,708,124
Sun Ins. Office	2,728,128	886,969
Svea	639,710	186,084
Transatlantic	811,717	83,629
Union Assurance	1,535,756	554,658
Western Assurance	1,720,432	406,281

If one good risk slips away from you,
And the premium goes astray from you,
Don't give up;
Go for another just as brisk
As if you had never lost a risk;
Don't drown your sorrows in a cup,
There are others.

—F. F. Record.

—The Western Union meets in St. Louis in semi-annual conclave on March 8.

The Centenarian Insurance Company of North America.

OVER TEN MILLIONS OF ASSETS—LARGE GAINS IN ASSETS AND SURPLUS—INCREASED INCOME AND DECREASED OUTGO.

The oldest fire insurance company in the United States, the Insurance Company of North America, of Philadelphia, began the new year with \$10,057,221 assets and \$5,602,597 surplus to policyholders, both of which vast sums are much larger than the corresponding items in the statement for the previous year. The company added \$390,413 to its assets last year, and increased its surplus funds \$282,824. Gains were also made in premiums and interest, and fire losses fell off. The fire loss ratio was only 50 per cent. This ratio, we may be sure, is considerably less than the general average for all companies.

Of the ten millions and more assets of the Insurance Company of North America, over half, nearly three-fifths, are clear of all liability as regards policyholders. This large proportion is unusual, and considered together with the great surplus of \$5,602,597 itself, gives one a better idea of the splendid security which the company offers the business world and property-owners generally. Age, too, with the conservative practices and sound traditions of a company 106 years old, lends additional weight to the value of the Insurance Company of North America's indemnity.

The statement of the company's business by decades has perennial interest. From the middle of December, 1792, to the end of December, 1802, \$6,118,711 premiums were taken in and \$5,531,005 losses paid out. There was clear grit among these stockholders of the eighteenth century. No backing out. Perhaps they became too conservative, for they wrote less business in the next decade and still less in the next and in the next, but all the while the losses exceeded the premiums. The company was unwittingly selling insurance at less than cost. Still

no backing out! The Insurance Company of North America was like the continent of North America. It was a fixture. After awhile the reward of grit and well doing followed. Premiums finally equaled losses and expenses in one decade, then passed them and left a margin of profit and something for the reserves. But it was not until after 1860 that a decade produced more premiums than those for the company's first ten years. From January, 1863, the succeeding ten-year periods produced premiums as follows: \$14,773,120, \$32,379,697, \$40,865,662, and a probability of over \$55,000,000 for the present decade. Since organized, the company has collected \$132,181,343 premiums and paid \$92,226,692 losses.

The history of this company in respect to its early loss experiences and its persistence in business is certainly unique in the annals of fire insurance. There is nothing like it in the experience of any other company in the world; and the final and colossal triumph of the company, after so discouraging a beginning, is fitting reward for pluck, confidence and ability.

The Pacific department of the Insurance Company of North America is in a flourishing state. Manager Bailey is making a good record. Even in the years of Coast demoralization he made money for his company and kept the business well up in volume. Last year's losses left a large margin of profit. The territory of the Coast department embraces California, Oregon, Washington, Alaska, Nevada, Montana, Idaho, Utah, Arizona, and British Columbia and Hawaii. The special agency staff traveling over this vast field are as follows: J. K. Hamilton, C. O. Scott, M. H. Merrill and A. E. Bailey.

—PERTH, Australia.—The new office-building of the Commercial Union in Perth, Western Australia, were recently opened with the usual formalities. The floors are tiled, the furnishings are of polished cedar, and the movable furniture is made of jarroh. The premises are electric-lighted and heated with asbestos gas-stoves.

January Fires.**Washington.**

24. Spokane, br mercantile bldg and various contents:	
German-American . . . \$	2,500
Home, N. Y.	10,450
American Central . . .	1,500
Norwich Union	3,750
Royal	3,750
Queen	750
Hartford	1,000
Caledonian	2,000
Atlas	2,000
Fireman's Fund	3,000
Transatlantic	4,000
Thuringia	6,500
North Brit. & Mercan.	2,500
Union, London	2,000
Hamburg-Bremen . . .	1,250
Scottish Union	1,500
Springfield	1,000
Palatine	3,500
Etna	1,000
Pennsylvania	2,000
Home Mutual	1,000
Aachen & Munich . . .	1,000
Phoenix, Hartford . . .	3,600
Lancashire	4,250
Commercial Union . . .	5,000
Ins. Co. North America	1,000
London & Lancashire	3,000
London Assurance . . .	2,000
Liv. & Lon. & Globe . .	26,500
Magdeburg	2,300
American, Pa.	500
Total	\$106,150

8. Seattle, vegetable packery:	
Hanover	\$520
16. Colfax, dwg and contents:	
Phoenix, London	\$1,000
7. Seattle, dwg:	
Royal	\$1,338
14. Ellensburg, fr dwg & conts:	
Phoenix, Hartford . . .	\$700
26. Ellensburg, soda works, fr bldg:	
Fireman's Fund	\$683
29. Seattle, contents dwg:	
Ins. Co. North America .	\$500
6. Sprague, fr bldg:	
Etna	\$500
14. New Whatcom, gen'l store:	
Etna	\$686
12. Port Townsend, fr dwg:	
Fireman's Fund	\$600
26. Charleston, fr bldg:	
Palatine	\$1,200
Ins. Co. North America .	800
10. Whatcom co., fr bldg & furni:	
Fireman's Fund	\$500

25. Whitman co., fruit dryer:	
Scottish Union	\$1,225
Losses under \$500 . . .	\$8,019
Total Washington . .	\$124,821

Oregon.

26. Myrtle Point, saw mill:	
London & Lancashire .	\$1,500
22. Dayton, stock vegetables:	
Palatine	\$1,500
4. Salem, dwg:	
Palatine	\$600
14. Salem, fr dwg and contents:	
Commercial Union . . .	\$1,250
20. Eugene, fr dwg and contents:	
United States	\$ 700
New Zealand	1,700
31. (Dec.) Portland, dwg & furni:	
Fire Association	\$1,050
10. Portland, fr dwg and contents:	
Home Mutual	\$500
. . Buena Vista, gen'l mdse in fr bldg:	
Phoenix Hartford . . .	\$1,900
. . Multnomah co., fr dwg:	
Home Mutual	\$2,500
. . Portland, fr dwgs:	
New Zealand	\$550
Losses under \$500 . . .	\$1,284
Total Oregon	\$18,034

Montana.

16. Butte, mdse, fixtures and br bldg:	
Svea	\$1,500
Fire Association	2,000
United States	3,000
North British	2,000
Alliance	5,000
St. Paul	500
Lion	1,000
Palatine	2,500
Aachen & Munich . . .	1,250
Hanover	1,000
Williamsburg City . . .	400
Total	\$20,150

14. Butte, br bldg:	
Palatine	\$993
14. Silver Bow co., store bldg:	
Scottish Union	\$713
14. Lewistown, fr bldg & contents:	
North British	\$500
Losses under \$500 . . .	\$6,532
Total Montana	\$28,888

Utah.

23. Salt Lake, dwg & contents:	
Etna	\$1,000
Phoenix, Hartford . . .	750
2. Corinne, hhd furni:	
London & Lauchsire .	\$1,460

Losses under \$500 . . .	\$1,472
Total Utah	\$4,682

Colorado.

7. Salida, fr dwg and contents:	
Lion	\$742
Fireman's Fund	550
25. Mancos, stk and fr bldg:	
Fireman's Fund	\$800
Palatine	800
Sun	900
. . Colorado Springs, dwg and furni:	
Fire Association	\$500
25. Durango, fr store bldg:	
National	\$1,000
28. La Plata co., fr dwg & conts:	
National	\$1,750
23. St. Elmo, fr store, bldg and mdse:	
Western	\$2,000
Palatine	750
Scottish Union	1,500
1. Denver, drug store:	
Atlas	\$1,117
Sun	4,413
Losses under \$500 . . .	\$5,116
Total Colorado	\$21,938

Wyoming.

25. Buffalo, gen'l mdse store:	
Sun	\$1,000
Scottish Union	750
Losses under \$500 . . .	\$521
Total Wyoming	\$2,271

Nevada.

2. Sodaville, fr bldg and contents:	
Fireman's Fund	\$550
Losses under \$500 . . .	\$19

Arizona.

18. Maricopa co., br school and furni:	
American, Pa.	\$1,500
. . Chalender, bldg, bar furni & fixtures:	
Liv. & Lon. & Globe . . .	\$850
Losses under \$500 . . .	\$866
Total Arizona	\$3,216

New Mexico.

7. Near Albuquerque, br store:	
Royal	\$1,700

Idaho.

Losses under \$500 . . .	\$911
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Alaska.

Losses under \$500 . . .	\$1,000
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British Columbia.

Losses under \$500 . . .	\$102
Total Outside Territory	\$208,280

California.

4. Calaveras co., dwg:
Hamburg-Bremen . . . \$750
12. Alameda, bazaar stock:
German-American . . . \$1,163
- . . Buchanan, fr store bldg:
Fireman's Fund . . . \$500
2. Emeryville, ldg house and
restaurant:
Aachen & Munich . . . \$2,250
20. Chico, fr dwg and con'ts, hay
press, etc:
German-American . . . \$800
Connecticut . . . 817
- . . Centerville, contents dwg:
Home Mutual . . . \$1,875
- . . Blue Lake, creamery con'ts:
Home Mutual . . . \$1,000
3. Hollister, fr dwg and con'ts:
Caledonian . . . \$672
30. Eureka, dwg and contents:
Ins. Co. North America \$1,000
25. Fresno co., fr dwg:
Union, London . . . \$1,200
3. Kings co., fr schoolhouse and
contents:
Northern . . . \$1,110
31. (Dec.) Grass Valley, fr dwg:
Home Mutual . . . \$649
16. Hemet, fr store & gen'l mdse:
Hartford . . . \$7,748
N. Y. Underwriters . . . 1,000
7. Hemet, fr barn and hay:
London & Lancashire . \$2,000
8. Keeler, fr store bldg, mdse
and boardinghouse:
Phoenix, Hartford . . . \$ 750
Svea . . . 1,000
American, Pa. . . . 500
Fireman's Fund . . . 500
London & Lancashire . 1,000
Pennsylvania . . . 1,400
30. Grass alley, fr dwg:
Fireman's Fund . . . \$600
- . . Los Angeles, mdse:
Williamsburg City . . . \$324
1. Los Angeles, paint shop:
Aachen & Munich . . . \$594
6. Los Angeles, dwg:
American Central . . . \$1,059
20. Los Angeles, schoolhouse:
New Zealand . . . \$3,000
Milwaukee Mechanics 750
Home Mutual . . . 750
29. Los Angeles, hhld furni:
Fireman's Fund . . . \$600
20. Los Angeles, fr dwg:
Milwaukee Mechanics . \$650
- . . Los Angeles, fr dwg & con'ts:
Pennsylvania . . . \$777
25. (Dec.) near Los Gatos, fr
dwg:
Thuringia . . . \$586
24. Mill Valley, con'ts fr board-
ing house:
Connecticut . . . \$848
Ætna . . . 700
21. Madera co., mdse:
Northwestern Nat'l . . \$1,000
- . . Modesto, contents fr dwg:
Caledonian . . . \$700
24. Modesto, dwg:
Hanover . . . \$800
19. East Oakland, hhld furni:
Royal Exchange . . . \$1,300
2. East Oakland, fr dwg:
Royal Exchange . . . \$1,500
9. Oakland, fr dwg:
German-American . . . \$600
20. Oakland, fr dwg:
British America . . . \$1,200
Western . . . 1,800
23. Nevada co., fr dwg:
Sun . . . \$500
29. Mendocino co., fr hotel dwg
and dairy:
Liv. & Lon. & Globe . . \$1,400
3. Stockton, warehouse, grain &
machinery:
Liv. & Lon. & Globe . . \$ 1,087
Sun . . . 775
German-American . . . 11,500
United States . . . 2,400
Royal Exchange . . . 8,520
Fireman's Fund . . . 8,000
Ætna . . . 1,000
Manchester . . . 3,131
Caledonian . . . 8,464
American, N. J. . . . 900
Connecticut . . . 7,520
Thuringia . . . 3,842
Pennsylvania . . . 2,500
Union, Pa. . . . 1,500
Hartford . . . 28,000
American, Pa. . . . 5,000
Palatine . . . 1,660
New York Underwrit's 6,000
Home, N. Y. . . . 1,500
Transatlantic . . . 800
Springfield . . . 500
Scottish Union . . . 4,088
Hamburg-Bremen . . . 5,000
- Total . . . \$113,687
18. Pasadena, fr dwg and con'ts:
Phoenix, Hartford . . . \$750
- . . Pomona, various:
Franklin . . . \$250
30. (Dec.) Petaluma, fr tannery:
Fireman's Fund . . . \$724
9. Princeton, fr hotel and con'ts:
Fireman's Fund . . . \$1,800
11. Pokegama, fr bldg:
Fireman's Fund . . . \$550
13. Santa Cruz, fr dwg:
Sun . . . \$600
- . . Santa Clara co., farm dwg:
Home Mutual . . . \$1,000
13. Santa Cruz, hhld furni:
American, Pa. . . . \$500
20. San Benito co., fr dwg:
Svea . . . \$1,160
11. Santa Cruz co., fruit, etc:
Greenwich . . . \$567
17. San Diego co., dwg:
Helvetia . . . \$760
26. Stockton, fr dwg, etc:
Alliance . . . \$1,000
3. San Diego, fr dwg:
Royal . . . \$ 773
Queen . . . 772
Norwich Union . . . 1,730
7. San Jose, fr dwg:
Northwestern National \$1,000
11. San Jose, fr barn:
Queen . . . \$821
27. San Jose, fr dwg:
Queen . . . \$900
31. (Dec.) San Jose, fruit packing
house and contents:
American Central . . . \$1,039
St. Paul . . . 855
Commercial Union . . . 1,208
Thuringia . . . 4,394
17. San Jose, fr dwg:
Milwaukee Mechanics . \$571
20. Ventura, electric light plant:
Thuringia . . . \$1,097
Queen . . . 561
Norwich Union . . . 841
Royal . . . 841
Magdeburg . . . 1,000
Northern . . . 685
Ætna . . . 2,500
Liv. & Lon. & Globe . . 500
Hartford . . . 1,402
Aachen & Munich . . . 1,250
Fireman's Fund . . . 841
- Total . . . \$11,518
21. Ventura, millinery:
Ins. Co. North America \$1,500
Atlas . . . 1,500
19. University, fr dwg & barn:
Phoenix, Hartford . . . \$600
20. Ukiah, fr dwg and contents:
Alliance . . . \$600
- Losses under \$500 . . . \$25,117
- Total Calif., S.F. ex. \$235,490

San Francisco.

2. Stock and furniture:	
Fireman's Fund	\$575
6. Theatre:	
Ætna	\$1,767
Fireman's Fund	883
Commercial Union . . .	1,767
Franklin	500
London & Lancashire . .	2,973
Lancashire	883
(Dec.) property not stated:	
Westchester	900
18. Frame buildings:	
Western	\$673
30. Frame rope works:	
American, Pa.	\$700
Svea	520
5. Building and contents:	
American Central	\$565
3. Grocery:	
Royal	\$500
8. Frame dwelling:	
Northern	\$1,000
6. Frame dwelling and barn:	
Fireman's Fund	\$690
30. Frame dwelling and cont's:	
Fireman's Fund	\$1,100
22. Stock canned goods:	
Thuringia	\$761
30. Frame dwelling and cont's:	
Pennsylvania	\$1,500
14. Contents frame planing mill:	
Connecticut	\$768
20. Stock wire, etc:	
Sun	\$625
16. Stock engravings, etc:	
Hartford	\$2,789

Losses under \$500 . . .	\$17,983
Total San Francisco . .	\$39,522
Total California . . .	\$275,012
Total Pacific Coast . .	\$483,292
Total Coast same month last year	\$218,871

Losses by Companies.

Aachen & Munich	\$ 6,784
Ætna	10,109
Agricultural	200
Alliance	7,849
American, Boston	8
American, N. J.	1,617
American, Pa.	10,064
American Central	4,549
Atlas	5,513
Baloise	10
British America	1,577
Caledonian	13,400
Commercial Union	11,253
Connecticut	11,366
English-American Underw. .	..
Fire Association	5,364
Fireman's Fund	29,574
Franklin	750
German Alliance	266
German-American	17,356
Greenwich	1,102
Hamburg-Bremen	7,881
Hanover	3,211
Hartford	42,084
Helvetia	790
Hone, N. Y.	13,699
Home Mutual	11,140
Imperial	1,435
Ins. Co. North America . .	6,989
Lancashire	8,411

Lion	2,528
Liverpool & Lon. & Globe	32,424
London & Lancashire . .	13,211
London	3,268
Magdeburg	4,397
Manchester	5,914
Milwaukee Mechanics . .	3,419
National, Hartford . . .	4,415
New Zealand	5,966
New York Underwriters	7,194
Northern	3,487
North German	850
North British & Mercant.	6,952
Norwich Union	6,721
Northwestern National .	2,873
Orient	596
Palatine	15,395
Pennsylvania	10,809
Phoenix, Hartford	12,469
Phoenix, London	1,914
Providence-Washington .	350
Queen	4,754
Royal Exchange	12,670
Royal	9,867
Scottish Union & Nation'l	11,660
Springfield	2,555
St. Paul	1,622
Sun, London	9,181
Svea	5,442
Transatlantic	5,065
Thuringia	17,917
Traders . . . . .	..
Union, London	4,025
Union, Pa.	1,681
United States	6,440
Williamsburg City . . .	724
Westchester	1,093
Western	5,183
Total	\$483,292

BEYOND THE ROCKIES.

The Sun leads in London premiums.

The German Alliance will double its capital.

The Beloit Mutual of Wisconsin has reinsured. Next!

A populist plank in Kansas will be State fire insurance.

The Methodist Ins. Co. has been incorporated at Chicago.

Rates have been reduced in Boston mercantile districts.

The wildcat Great Britain has its headquarters in Chicago.

The new British-American Fire of New York has begun writing.

The Wisconsin Fire, of Milwaukee, with \$200,000 capital, is the latest annex.

The capital stock of the Providence-Washington is to be increased to \$500,000.

Columbus, O., agents have resolved not to represent any company having a dual agency.

The Caledonian-American, not the Scottish American, is to be the name of the new tender.

Virginia locals have presented a petition to the legislature, opposing an anti-compact bill.

Thirteen new rules regarding acetylene gas generators have been adopted by the New York Board.

New York's fire chief prefers "underwriters" doors, tin covered pine, to iron doors as fire protection.

About the only company reporting a loss of surplus is the ever unfragrant Broadway, which dropped nearly \$34,000 or considerably over half.

Several Eastern States are considering bills taxing foreign companies 5 per cent. of gross premiums and Americans 2½ per cent. of net profits.

James Harrison of the New York Board's surveying department and an ex-president of the Corn Exchange Ins. Co., died last month aged 81. He was a native of England.

The Glens Falls \$800 per share is the highest. Hartford at \$500, German-American at \$420, Continental at \$400, etc., are fair samples. Fireman's Fund stock is booming, too.

George E. Faw, of the Philadelphia Underwriters.

The recently organized Philadelphia Underwriters has appointed George E. Faw State agent for California, Arizona, Nevada and the Hawaiian Islands. Mr. Faw has recently become well known in this field as special agent. For some time past he has been in the service of the Pennsylvania Fire in this capacity.

Mr. Faw is a native of Washington county, East Tennessee, where he was born August 1, 1863. After a brief experience in country schools he came to California and began life under new conditions. In April, 1883, in his twentieth year, he settled at Gonzales and engaged in the warehouse and grain business.

In the same year he began his insurance career as a local agent at Gonzales. He was a successful agent, and made a good impression in his dealings with his principals. Promotion to a special agency was only a matter of time. As special agent he is specially familiar with the California field and with the Islands. It was a happy thought of Assistant Manager Beck when he suggested to Manager Cunningham Mr. Faw's name for the position of State agent for the new Philadelphia Underwriters. Mr. Faw assumed the duties of his new position on February 1.

The Philadelphia Underwriters is composed of two old Philadelphia companies, the Ins. Co. of North America and the Fire Association, whose combined assets exceed \$16,000,000 and whose combined surplus to policyholders exceeds \$7,000,000. These are strong figures for Agent Faw and his staff to present to property-owners. The Western and Pacific departments of the combination have their headquarters in Chicago, and are under the management of W. H. Cunningham of the Fire Association.

SPONTANEOUS combustion of a case of new style leather "findings" caused the fire on the *Canada* in Boston harbor. The inflammable fabric is half-inch cotton tape, glazed in imitation of rubber-cloth, and wound on a spool. It is supposed to be manufactured in England.

A Paper by Herbert Folger—Suggestions upon the Choice of Fire Insurance Literature.

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READ BEFORE THE FIRE UNDERWRITERS' CLERKS' ASSOCIATION, JANUARY 17, 1898.

The subject presented for your consideration has been suggested through the acquisition by the Pacific Association Library of a large amount of interesting material, accumulated in recent years, with which its members are practically unfamiliar; and while this might better have been reviewed by one having personal acquaintance with some of the writers, it is hoped that the paper may, at least, stimulate interest in and study of the writings of those who have become eminent in our profession. The word literature is broad enough to include not only that which has intellectual merit, but also that which has nothing to commend it but its value from a business point of view; hence, the style of the papers indicated as being worthy of your particular notice will frequently be found to be quite secondary to their usefulness. It is presumed that you are to some extent familiar with the fire insurance literature of the Pacific Coast, of which we are justly proud; but it has been deemed best to omit any reference to it in order to give more time to what has come to us from other quarters, and because it would be invidious to make selection from the writings of those who are living among us.

History.

The history of its inception and progress is inseparable from any discussion of fire insurance, since the changes in theory and practice have been so marked. An excellent groundwork for general reading will be found in the articles on Fire Insurance in the *Encyclopædia Britannica* and its American Supplement, prepared in Edinburgh and New York by writers whose selection for the purpose was most fitting. The earlier portion of the two centuries to which fire underwriting has been limited witnessed the rise of the great London companies; which are most fully dealt with in Mr. F. B. Relton's recent work, and which have occasionally published pamphlets of interest upon the occasion of centenary and other publications. The close student will not only give attention to the original *Hand-in-Hand*, but will particularly apply himself to the history of American companies; for he is preparing himself to do American business, and an intelligent understanding of the conditions existing in the United States at the present day can be reached in no other way. Of its kind, the foremost work upon our shelves is the *History of Insurance in Philadelphia*, by the late J. A. Fowler. It lacks the charm of a direct continuous narrative, but is replete with historical allusions not available elsewhere. Here may be seen the Philadelphia Contributionship at its best, followed by the long array of conservative organizations which might be expected to hail from such a center. The curious reader will learn with surprise that the Franklin was foremost among all agency companies fifty years ago; that



GEO. E. FAW,
State Agent Philadelphia Underwriters.

exclusion laws were originated in Pennsylvania, which paid the penalty in 1845, when the Pittsburgh conflagration affected Pennsylvania companies only; and may puzzle himself with the question why these companies were practically unrepresented at the earlier meetings of the National Board, and, with all their wealth, incurred only three per cent. of the losses in the Chicago fire.

If the Philadelphia companies were the earliest, New York has furnished the greatest number; but their history, beginning with the Knickerbocker in 1787, is of little moment prior to 1853. With the rise of the Home, Continental and other agency companies, New York underwriting took a wider scope, and in later years the history of the leading New York companies is inseparable from that of American insurance as a whole.

Unique in underwriting circles stands the city of Hartford. Long before the great New York companies were conceived, when travel was slow and capital difficult to obtain, the Protection of Hartford ventured out into the agency field almost alone; and the several Hartford companies paid their losses bravely in the New York fire of 1835. Nothing remains to us with reference to the Protection, which was the victim of the then new requirement of reinsurance reserve, but a few scattered incidents and a portion of the classification of the business written by its Cincinnati office from 1826 to 1853. Your attention is particularly directed to the "Hartford Historical Reviews" in the Centennial Blue Book. There is no more magnificent record in the entire insurance world than that of the Hartford companies; and had their business been fostered by friendly, rather than hindered by restrictive legislation, their progress might have been much more rapid. Their original success came from a disposition to constantly add to their capital and surplus from profits. In this connection mention must be made of the recent volume devoted to the growth and doings of the National of Hartford by its secretary, Mr. E. G. Richards.

Aside from material bearing upon individual American corporations, a few papers are available which are broader in scope. Of these, the one most replete with early historical material is the address by Mr. J. B. Bennett in 1876; and the best presentation of the doings of later years is the address by Mr. Daniel A. Heald at the twentieth annual meeting of the National Board of Fire Underwriters.

While it cannot be expected that we should know much of the literature published abroad, owing to our great distance, a really valuable series of pamphlets has been secured, to which frequent reference will be made. In the opinion of the late Cornelius Walford, the address which stands pre-eminent in English insurance literature was delivered in 1872 by Mr. John M. McCandlish, president of the Faculty of Actuaries, and it fully deserves the praise accorded to it. In addition, there are several papers of less pretentious dimensions, not omitting the interesting address of Mr.

Walford himself before the Chicago Association, upon "The Modern Practice of Fire Underwriting." The difference between English and American methods is nowhere more concisely expressed than in the following passage: "The policy of the underwriters in our own country must be admitted to be one of isolation—one wherein every man feels himself bound to the interest of the organization to which he belongs, and which he is limited to; that he must regard its secrets as the peculiar property of the organization, and must, under no conditions whatever, unless by the authority of his directors, impart to others the secrets which his experience may have taught to him. On this side (*i. e.* the United States) every man exchanges freely and voluntarily with every other man the knowledge which in his lifetime he has learned. As the result, in every man is concentrated the united experience of the whole fraternity to which he belongs." It may interest you to read the prize essay written in 1886 for the Insurance Institute of Manchester by a junior, Mr. John C. Reimer, entitled "Fire Insurance—Past and Present"; and there is a historical sketch among the transactions of the Glasgow Society, by Mr. Charles Stewart of the Lancashire.

Insurance Journalism.

If the complete history of fire insurance is ever written, the material from which it is derived must very largely be drawn from insurance journals. There were scarcely any worthy of the name earlier than 1853; but it is impracticable to review the contents of even the leading periodicals for nearly fifty years in such a paper as this. The complete sets of the Coast Review, Monitor, Spectator and Insurance Times in our possession are of great value; but Mr. Faymonville, in his address before you upon the value of insurance literature, very properly emphasized the importance of reading current issues of the leading journals before attempting to wade through the earlier issues. One of the best examples in insurance journalism, by way of general review, is the thirtieth anniversary number of the Weekly Underwriter, June 5th, 1889, which presented historical articles prepared by some of the first writers of the profession.

Theory and Practice.

It is impossible to present a review of all that has been written in this department, without restricting it to a mere list of papers and writers which will convey nothing either intelligible or inspiring. Insisting that the business is scientific, and can be made more so, we naturally turn to the subject of rates and tariffs, and are at once met with a host of papers, long and short, thoughtful and funny, exhaustive and superficial. The student should first read carefully the thirty rules in our own printed tariffs, and follow this by an effort to use the schedule recently adopted by the Board of Fire Underwriters of the Pacific. Having begun at home, one can do no better than read the introduction to the Universal Mercantile Schedule, by Mr. F. C. Moore. Learn how rates are

made, but never look upon the figures as infallible; for when the Board can fix charges for area and height, occupancy and exposure, so as to suit all of its members, there will either be no need of managerial talent, or no talent left. Under this heading may be ranged all the instruction books—Ducat's, Hine's, Griswold's, Tiffany's, Otey's and others. These are not all dry reading, but they had better be taken in sections, with something lighter between. Then there are the tariffs and schedules of other rating organizations, especially the New England Insurance Exchange and the Southeastern Tariff Association, which have distanced us in the race in some respects because they have as many mills or factories of one class in a small district as we have on the whole Pacific Coast.

Leaving aside the tariffs themselves, there are papers of the highest value and interest upon special hazards, which will well repay study. Among the proceedings of the Fire Underwriters' Association of the Northwest are two most excellent papers by Mr. W. B. Cornell, one upon the "Fire Hazard of Saw Mills," dealing with a field in which he states there were 1991 active mills when the paper was written; and the other upon the "Fire Hazard of Flour Mills," which devotes much space to the leading losses and explosions therein. In the same connection, compare the paper by Mr. James Ostler before the Manchester Institute, "The Modern Corn Mill," which is very broad, treating not only of the English flour mills, but also of the disastrous experience of companies in France and in Hungary, the home of roller-milling. There is a practical paper among the transactions of the Birmingham Institute, by Mr. Henry Simon, the more valuable because the writer is not an underwriter but a milling engineer. Time would fail to tell of the long list of papers upon cotton and woolen mills, breweries, tanneries, glucose factories, elevators, theaters, foundries, etc. Special reference may be made, however, to Mr. A. J. Waters' paper upon "Machinery in Special Hazards," which is general in scope and treats the question of depreciation in an eminently practical way.

[Continued in our next number.]

Wrought-iron uprights if unprotected collapse at a temperature of 600 C. Concrete filling-in only slightly increases the resistance. Wooden uprights even when well alight have greater powers of resistance. Neither wooden nor wrought-iron uprights give any sign of impending collapse. Thus reports a Hamburg commission, after fire tests.

The verdict of the fire inquest was that the origin of the Cripple Gate fire, London, was incendiary. Goods on the first floor of Waller & Brown were "willfully fired by some person or persons unknown." Fourteen minutes elapsed between the alarm and the arrival of the first engine. The jurymen were paid the munificent sum of 8 cents each for fourteen days service. The property loss was less than at the Spokane or Seattle fire, and insurance loss about the same.

UNCLASSIFIED.

Life and Casualty Notes.

THE Frankfort gained over a quarter of a million in net premiums written last year.

THE Sun Life of Canada is offering policies on Klondike risks.

RECEIVERS are collecting assessments from members of the deceased United States Mutual, at the point of an attachment-bayonet.

THE State Accident Association of Minneapolis is a candidate for a receivership. The courts will grant it. Next!

THE Aetna Life's accident department increased its business a third last year. Is it getting ready to swallow the Travelers, as so many think?

A COLONIAL life office advertises in England for a lot of district secretaries, and adds, "influence and grit rather than experience required." Apparently this is an office not yet represented in England.

THE Union Casualty threatens to carry the plate-glass war into the East if the Eastern companies do not declare peace in the West. "That's right." The Union Casualty shows an increase in assets and in net surplus, in its annual statement.

THE Ocean Accident & Guarantee flocked with Johnson & Higgins and wrote an industrial line on a Chicago plant, though not authorized to do so by Illinois insurance department. Whether it is a case of too much Johnson or too much Higgins has not transpired.

Accident Assurance, an English contemporary printed in Boston, contains the following items:

The work of winding up the affairs of the Equitable Accident Association of Cincinnati, which failed two or three years ago, is reported by the receiver, Mr. George Fisher, as completed. The receipts and expenditures of the receivership amounted to \$62,027.82.

The World Accident Insurance Company has followed the precedent of so many other small concerns and passed into oblivion. The membership was found to be but 430, while the number required by law is 500. The officers reported a membership of 701 to the department last January, when the actual number was 301.

Home Life Insurance Company.

Gains! gains! gains! This is the record of the Home Life Ins. Co. of New York for the past year. The thirty-eighth annual statement, printed with this number, admirably sets forth this progress, as well as the condition and business of the company. It tells the story for the year at a glance. Not only have there been gains all along, but expenses have been reduced, and the outstanding premiums are 11 per cent. less than a year ago.

The Home Life has \$9,958,216 assets, of which the sum of \$1,108,404 is surplus. In the liabilities, too, the present value (\$425,549) of deferred dividends is treated as a liability. Insurance in force is \$43,443,047, a gain of a million and a half. A half million was added to the assets. Surplus was increased 7 per cent. Treating deferred dividends as surplus, as has been the general practice, the Home's proportion of assets to liability is 118.19 per cent.; counting them as liability, the proportion is 112.52 per cent., which is above the general average.

The Home Life is up to date with all forms of policies, and has some specially desirable contracts of its own. The condition of the company leaves nothing to be desired as regards security, and its record of liberal and honorable dealings with policyholders challenges comparisons. Since organized in 1866 it has received from policyholders \$29,258,758, and has returned to policyholders and holds for their benefit \$29,785,564.

Manager W. H. Dunphy of the Coast department is writing an increased amount of business for the company, of a desirable character. In California last year the insurance in force increased 14 per cent. and new business increased 70 per cent.

THE superintendent of the Kansas insurance department, in addition to asking a lot of foolish questions which will require some companies a year or more to answer, also demands answers to the question, "What salary do you pay your president," etc? This is the wise way

of the superintendent to determine whether a company is solvent. Now we wonder what he'll do if the salary doesn't meet his royal highness's approval.

Inter State Warfare.

There are people who need to be reminded that the greater part of the territory of the United States has been acquired by conquest or purchase by the remaining part, and has been developed, fortified, defended, and its integrity guaranteed by the Nation as a whole. Kansas and California are not exceptions. The people of no State can under the Constitution or in common equity shut out either the citizens or products of any other State, nor impose discriminating conditions or taxes.

We can find no just reasons for the narrow view which denies these rights to combinations of other-States' citizens called corporations, on the technical ground that they are created by the State. The conditions imposed by a State on its own citizens and corporations may alone be with equity imposed on the citizens and corporations of its sister States. This is good American doctrine. The United States of America is a nation, with component parts under obligations to the whole, and with citizens having equal rights of trade, domicile, and individual action. The limitation of liability by incorporation is a formal thing, made necessary by the requirements of modern trade. Citizens unite together to carry on vast enterprises, not a few as Brown, Jones & Co., with unlimited liability, but many as the Brown-Jones Corporation, with limited liability. The former the courts treat as citizens, but the latter, composed of the same people, are declared to be an "artificial person" and not a citizen, under the Constitution. This clearly defined difference between tweedledum and tweedledee has produced a crop of special laws designed to feed tax-eaters, which restrict the trade rights of people from other States.

Mr. Batterson has written a strong article on this subject, under the title

"Inter-State Warfare." We regret that pressure on our space at this time prevents us from extended quotations; but we give one or two characteristic paragraphs, as follows:

"Retaliatory legislation is pregnant with grave consequences, by fomenting inter-State disturbances, and the unworthy greed of taxing foreign corporations for the payment of local expenses. It is plain that we have only to carry this species of legislation far enough to destroy all comity between States, and undermine the fundamental structure of all reciprocal relations. Not being confined to corporate bodies, this selfish business of State protection is already running into industrial pursuits."

"The taxes and fees imposed by many States upon the insurance corporations of other States seem to be in direct conflict with the Constitution, which is the fundamental law of State intercourse. It is in some instances equivalent to a prohibitory tariff."

The New York Life Insurance Company.

THE FIFTY-THIRD ANNUAL STATEMENT— GREAT GAINS—ASSETS NOW EXCEED TWO HUNDRED MILLIONS.

The annual statement of the New York Life Insurance Company, of which a summary appeared on the first of the year, is now published in detail. It requires two pages of the *Coast Review* to present it in the lucid and complete form in which the company prefers to publish it. Appended is a certificate of the insurance superintendent of New York, specifically attesting assets, liabilities and surplus funds.

Let us glance at the principal figures in this fifty-third annual statement. Here they are:

Assets	\$200,694,440
Gain	13,518,034
Surplus (net and reserve)	33,372,031
Gain	6,690,034
Income	41,793,084
Gain	2,653,526
New business	137,563,619
Gain	13,750,754
In force	877,020,925
Gain	50,204,277

The "insurance account" figures are all on the basis of paid-for business only.

A still more interesting comparison is that for six years. In this time, under the present management, the assets have gained 75 millions, the annual income has advanced 10 millions, insurance in force is 301 millions more, there are over 150,000 more policyholders, and the annual dividends have just about doubled. This is wonderful progress in six years.

The 200 millions of assets are invested principally in bonds and mortgages. The market value of the 108 millions of bonds owned is 5 millions more than the cost. Nearly 8 millions is loaned to policyholders on the security of policies with nearly 14 millions legal reserve thereon.

The Pacific Coast department is in the front rank in volume of new business and in amount in force. In California last year over 3 millions of new business was written. This was a gain of \$400,000. The insurance in force, by a gain of nearly \$700,000, now exceeds 20 millions in the State. Corresponding gains have been made in other territory of the Coast department.

We congratulate Agency Director McLane on the splendid showing he makes for his department. He has secured good results, and has directed the affairs of the agency with good judgment and effective energy.

THE bondsmen of the Kansas insurance superintendent are beginning to feel uneasy. He has been sued for \$20,000 damages by one company. By the way, what of the California man's bondsmen. Are they "good"?

FOR THE first time in the history of the New York Life the Canadian receipts of the company last year exceeded \$1,000,000. Agency Director R. Hope Atkinson increased the new business \$381,068.

Henry Worthington Smith, actuary, editor and proprietor *Insurance Register*, Philadelphia, has passed away. He made a good paper.

Sister Mary Ellen Lease, a distinguished member of the Spouter family, has become a life insurance agent. Short-haired women and long-haired men will be easy game for Mary Ellen.

COMPANIES.	CALIFOR.	OREGON	WASH'N	MONT.	IDAHO	COLOR.	WYOM'G	UTAH	NEWMEX	ARIZONA	NEVADA	BRITISH COLUM'IA	ALASKA	HAWAII
Aachen & Munich	W	W	W	W				W						
Ætina	W	W	W	W	W			W		W	W	W	W	W
Agricultural	W	W	W					W		W			W	
Alliance	W	W	W	W	W	W	W	W	W	W	W		W	W
American, Boston	W													
American, N. J.	W	W	W	W	W			W		W	W		W	W
American, Pa.	W	W	W	W	W			W		W			W	W
American Central	W	W	W	W				W						
Assurance Co. of America	W													
Atlas	W	*W	W	W		W	W	W	W	W	W		W	W
Baloise	W	W	W	W	W	W	W	W	W	W	W		W	
Boston Marine	W	W	W	W	W			W		W	W	W	W	W
British America	W	W		W				W			W	W		W
Caledonian	W	W	W	W	W			W		W	W			W
†Commercial Union	W	W	W	W	W			W		W	W	W	W	W
Connecticut Fire	W	W	W	W	W			W		W	W	W	W	W
Eng.-American Underwriters	W	W	W		W			W					W	W
Fireman's Fund	W	W	W	W	W	W	W	W	W	W	W		W	W
Franklin	W	W	W	W	W			W			W		W	
German Alliance Ins. Ass'n	W	W	W		W			W		W	W	W	W	W
German-American	W	W	W		W			W		W	W	W	W	W
Greenwich	W	W	W	W	W	W	W	W	W	W	W		W	W
Hamburg-Bremen	W	W	W	W	W			W		W	W		W	
Hanover	W		W	W				W						
Hartford Fire	W	W	W	W	W			W		W	W	W	W	W
Helvetia	W	W	W	W	W	W	W	W	W	W	W		W	
Home, N. Y.	W	W	W	W	W			W		W	W		W	
Home Mutual	W	W	W	W	W	W	W	W	W	W	W	W	W	W
Imperial	W	W	W	W	W	W	W	W	W	W	W		W	W
Insurance Company of North America	W	W	W	W	W			W		W	W	W	W	W
Insurance Company of State of Pennsylvania	W	W	W	W	W		W	W	W	W	W		W	
Lancashire	W	W	W	W	W			W		W	W		W	W
Law Union & Crown	W	W	W	W				W		W				
Lion	W	W	W	W	W	W	W	W	W	W	W		W	W
Liverpool and London and Globe	W	W	W		W					W	W		W	
London Assurance	W	W	W		W			W						
London and Lancashire	W	W	W	W	W			W		W	W		W	W
Magdeburg	W	W	W	W	W			W		W	W		W	
Manchester	W	W	W	W	W	W	W	W	W	W	W		W	W
Merchants, N. J.	W													
Milwaukee Mechanics	W		W	W				W					W	
National, Hartford	W	W	W	W	W	W	W	W	W	W	W		W	W
National Standard	W													
New York Underwriters	W	W	W	W	W			W		W	W	W	W	W
New Zealand	W	W												
Northern Assurance	W	*W	W		W			W						
North British and Mercantile	W	W	W	W	W	W	W	W	W	W	W		W	
North German	W		W	W		W		W					W	
Northwestern National	W													
Norwalk	W		W										W	W
Norwich Union	W	W	W		W			W		W	W		W	W
Orient	W	W	W	W	W			W		W	W	W	W	
Palatine	W	W	W	W	W	W	W	W	W	W	W	W	W	W
Pennsylvania	W	W	W	W	W			W		W	W		W	W
Phoenix, Hartford	W	W	W	W	W			W		W	W		W	
Phoenix, London	W	W	W	W			W	W		W	W			
Providence-Washington	W	W	W		W					W	W	W	W	W
Queen	W	W	W	W	W			W	W	W	W		W	
Rhode Island Underwriters	W	W	W	W	W		W	W		W	W	W	W	W
Royal	W	W	W	W	W			W	W	W	W		W	W
Royal Exchange	W	W	W	W	W	W		W	W	W			W	
Scottish Union and National	W	W	W	W	W	W	W	W	W	W	W	W	W	W
Springfield	W	W	W	W	W			W		W	W		W	W
St. Paul	W	W	W	W				W					W	
Sun	W	W	W	W	W	W	W	W	W	W	W		W	W
Svea	W		W	W	W	W	W	W	W	W	W		W	W
Teutonia	W	W	W	W	W	W		W		W	W		W	W
Thuringia	W	W	W	W	W	W		W		W				
Traders	W	W	W		W					W			W	
Transatlantic	W	W	W	W		W		W						
Union, Pa.	W	W	W	W	W			W		W	W	W	W	W
Union, London	W	W	W	W				W		W			W	
United States	W	W	W	W	W			W		W	W		W	W
Westchester	W	W	W	W		W							W	
Western Assurance	W	W		W				W			W	W		W
Williamsburg City	W	W	W	W				W			W		W	

* Reinsurance only. † Note changes from card presented by Coast Review.

Companies and California Commissioner.

Under the law of California every company is required to give a small bond (\$2,000) for the payment of fees, to be signed by its agent as principal and to be acceptably endorsed. This guaranty is of course only a matter of form and convenience, for a company whose security for several thousand dollars fire indemnity is good enough for the individual is certainly "good" for the nominal fees charged by the State. The bonds filed by the department were of course sufficient in security; indeed, a number of them had received the direct approval of the new commissioner. But Mr. Clunie, baffled thus far in his attempts to harm the companies and their agents, found material in these bonds for further abuse of authority. He declared them all, even those signed by millionaires, insufficient. The companies then filed surety companies' bonds. But these, too, the arrogant little czar refused to accept, declaring them "insufficient in form and substance." He had previously, most ungraciously, refused to suggest any form or security acceptable to his highmightiness. It was known, however, that this refusal to accept the bonds of an admitted surety company was a part of the commissioner's plans to destroy all organization, by compelling the companies to sign an abject pledge to join no organization within a year, and to apply for a new license at the end of a year. The bonds of companies signing this pledge were promptly accepted, even though still "insufficient in form and substance."

The commissioner gave himself all the publicity possible by giving the daily papers copies of all his letters, rulings and demands, sometimes even before they could be received by the underwriters. In this way, so far as notoriety is helpful, the daily press contributed without price to the commissioner's new political ambition. His role is that of a destroyer of an "odious monopoly," and with the help of the publicity freely given him by the daily papers he hopes to catch the vote of every man who has nothing to

insure. This statement is due our readers, who must be exceedingly puzzled by the commissioner's strange actions.

Finally it became necessary for the companies to appeal to the courts. First, the foreign companies applied to Judge Morrow of the Federal court for a restraining order; then the New York and the Connecticut companies, and later the other companies applied for such an order. These orders were promptly granted, and the commissioner is now temporarily enjoined from interfering in any way with the companies. The hearing of the case is set for March 7, when, as we believe, the restraining orders will be made permanent.

The commissioner's strained constructions of the insurance laws, especially of the retaliatory law, have been submitted to eminent counsel for their opinion. They are unanimous in declaring that the commissioner's contentions are wholly untenable.

We are sorry to be obliged to add that, after the granting of the restraining order by Judge Morrow, the Home of New York complied with the autocratic commissioner's demand, and retired from the Board of Fire Underwriters in consideration of a license to transact business one year in the State. The Home's course in this matter has been taken, as we understand, contrary to the wishes of its Coast representative and in opposition to the views of its San Francisco counsel. The German-American promptly followed the Home's example.

The least that can be said is that the Home has been unnecessarily hasty in this matter, the questions at issue being before the courts. We can see no reason why the management should not have waited until Judge Morrow decides the case.

Business is being conducted as usual. Rates and rules of the Board of Fire Underwriters are being observed by the several outside companies, and the commissioner's petty triumph is so far a barren one.

The Mutual Life Insurance Company of New York.

LARGEST INSURANCE COMPANY IN THE WORLD—GREAT GAINS DURING THE YEAR—OVER NINETEEN MILLION DOLLARS ADDED TO THE ASSETS, NOW OVER A QUARTER-BILLION.

Just the usual record of wonderful progress, only a little more so. More premiums, more assets, more surplus, more insurance in force, than a year ago. Nothing phenomenal, nothing even extraordinary about this, for the Mutual Life Insurance Company. We have been saying the same thing every year for "a generation" back. Others said it before us.

There are some features of this annual statement which must interest the reader, for enormous figures have a charm of their own. There are the assets, which amount to 253 millions; the reserve for policies and other liabilities, 218 millions; the insurance in force, nearly 937 millions; the surplus, nearly 36 millions; the premiums, nearly 43 millions; the interest earnings, over 11 millions; the total annual income, over 54 millions; payments to policyholders, 26 millions.

Now for those interest-compelling gains: \$19,042,289 in assets; \$3,099,787 in premiums; \$4,459,913 in income; \$5,774,679 in surplus. And with all this, a decrease of \$146,178 in expenses.

But there are still grander figures. Since its organization in 1843 the Mutual Life has paid to its members while living \$271,671,876, and to beneficiaries of deceased members, \$191,325,374, a total of \$462,997,250 to policyholders. Now add the assets held in trust for the members, and we have a grand total of \$716,783,688 paid to and invested for the members of this greatest mutual life insurance company.

Everywhere in the civilized world the Mutual Life has its representatives and writes business. Its gigantic resources command the choicest business, and its name is a synonym for towering financial strength. The management responds to the confidence of the world public with

liberal forms of policies and perfect justice in dealing with all policyholders.

The wonderful progress of the company in recent years is best shown by the following compilation:

<i>Jan. 1</i>	<i>Assets</i>	<i>Surplus</i>	<i>Income</i>
1898	\$253,786,437	\$35,508,194	\$54,162,608
1897	235,693,141	29,733,515	49,702,695
1896	221,213,721	26,880,048	48,597,431
1895	204,638,784	21,196,859	48,020,870
1894	186,707,680	15,148,269	41,953,146

On the Pacific Coast the Mutual Life, under the management of A. B. Forbes & Son, maintains a leading position, corresponding to the exalted position of the company in the underwriting and financial worlds.

Big Blaze in New York.

The year is beginning with big fires in American cities—San Francisco of course excepted. After the Pittsburg fire the big \$600,000 down-town blaze in New York followed. Three hours elapsed before the flames were under control. On all sides of the burning Nassau building towered sky-scrapers whose cornices were often on fire. A press dispatch says that cascades of sparks fell for blocks around. The tall blazing building was a volcano shooting smoke, fire and brands high into the air. At one time fourteen buildings were on fire, but there being no wind the firemen were able to confine the substantial losses to a narrow area. The upper seven stories of one fourteen-story building were badly damaged, the firemen working at that height at a great disadvantage. Thirty-five steam fire engines, three water towers, five underwriters' fire patrols and a big company of firemen were hotly employed for several hours. Had a strong gale been blowing the losses would have been enormous. While this fire was employing so large a part of the fire department, another alarm came from a far-off district, where a \$100,000 building was destroyed.

THE COST OF A \$5,000 policy in the American Legion of Honor for five years, assessments actually paid, amounted to \$420, says the Columbian. The same policy same age in an old line company cost \$805, but at the end of the five years there was a cash surrender value of \$517, which made the net cost only \$288. This was \$132 less than in the American Legion. The cost in the fraternal was \$16.80 per \$1,000; in the old line company it was only \$11.52.

COMMERCIAL UNION AND ALLIANCE OFFICES.

In the New Alliance Building, San Francisco.

The Pacific branch of the Commercial Union Assurance Company and the Alliance Assurance Company now has offices in the elegant new Alliance building at 416-418 California street, San Francisco. The ground floor, the basement and a portion of the upper floor space are required for the convenient and expeditious handling of the large Pacific Coast business of these companies; and the remaining floors are let or to be let to desirable tenants.

The Alliance building is a five-story brick and iron structure, with a stone front, and a basement for boiler, engine, dynamo, lavatories and storage purposes. The ground floor is flush with the street. The building is thoroughly modern throughout, in arrangements, in finish and in equipments. Nothing essential to the comfort and safety of tenants is lacking. Ventilation, lighting and heating are perfect. A commodious and safe elevator is at the entry, and flights of marble stairs lead to the upper floors from California street in front and from Halleck street in the rear.

The new building was designed for the Pacific branch of the two companies, and it is therefore admirably adapted, in its divisions and subdivisions, to all the requirements of the business. Excellent taste has been shown in the choice of new furniture, only equaled by the judgment exercised in planning the building. The building's front is exceptionally attractive, in the variety of line and color effects of the several stories, and in the fine view of the main office through three large plate-glass windows. The entry-way is at the left. It is finished in colored mar-

ble. The elevator shaft faces the street; to the right are the swinging glass doors leading into the principal office.

The building is a marvel of perfection, of which the mere view from the street gives no hint. Entering the doorway the visitor is favorably impressed at the start, by the marble stairs, the marble wainscoting, and the handsome frescoing. Stepping into the elevator-cage he is swiftly and without a jar lifted up a clean, light shaft tiled with white glazed bricks. Passing from room to room and floor to floor the visitor is pleased with the tinted walls and the mosaic pavements, and agreeably surprised by the amount of light in interior as well as exterior rooms. The light-well is practically a division of the four upper floors into two buildings, connected by a broad hall on the west side. It is 30 feet by 18, and is tiled with large white glazed plates. From this polished surface the sunshine is brightly reflected even into rooms fronting north.

The woodwork is of white oak. The floors are "filled." The electric wiring is tubed. The roof is covered with several inches of cement, and can therefore defy falling brands. Every room is provided with a marble wash basin and running water, inclosed in a neat oaken clothes-locker. The pressure of a "button" lights or extinguishes a group of electric lamps. Hall lights likewise respond to a key carried by the janitor. The toilet-rooms are spacious, tiled in blue and white, and finished in marble. Public and private telephones abound, and a mail-chute is easily accessible on every floor.

The main office on the ground floor has new furniture throughout, constructed of quarter-sawed oak. Wainscoting and tint-

ing and furniture and the mosaic tiling harmonize exquisitely. Everything is spic and span new, and the rear office, beneath the broad expanse of handsome wired-glass sky-light, is about as light as the south-front, where the sun's rays are directly streaming. Little modern conveniences are noticeable everywhere, of which we may cite as an example the device in the steel vault, whereby the turn of one key, the shifting of a single bar, locks rows on rows of iron boxes containing valuable documents, for which a single clerk is held responsible.

Interior Views.

The reader can form a fairly good idea, not of the beauty, but of the arrangement and general appearance of the new Pacific branch offices, from the reproductions of photographs which appear in this number of the *Coast Review*.

First, is a view of the main office, taken from the front. This view shows the rows of clerks at their desks, with the counter-men at the left in front, and the big steel vaults at the left in the rear.

Second, is a view of the same office taken from the rear. Both views of the main office convey a fair idea of its depth and of the busy scenes in daily progress within its walls.

Third. This is a glimpse of Manager Mullins's office. The relief effects are perfect. Pictures, frames, mantels and statuary stand out boldly, as in reality. This handsome office is finished in mahogany, in harmony with more subdued shades.

Fourth, is a better view of the manager's office, showing desk, table and chairs, and completing a picture of which the third view was only a portion. A watch hanging in front of the manager suggests the value of time and the system regulating the entire office.

Fifth. This is the first view of the

surveyors' and brokers' department—a roomy, light and cheerful-looking place, with names in neat frames over the desks.

Sixth, is the second view of the same department, in the adjoining room.

Seventh, is a section of the supply department, in the electric-lighted basement, showing lockers and shelving and piles of printed supplies.

All these interior views present evidence of the care taken for the comfort of employes, as well as of the expert utilization of space. The furniture is of the latest and most convenient type, an immense light-well divides the upper floors, and a "sky-light" beneath floods the main office with reflected sunshine. Windows open into this large light area, making all the upper floors specially desirable. Steam radiators are found on every floor, and a dynamo in the basement supplies an abundance of artificial light.

Still another view—an exterior view we might call it—which we present with this group, is that of the Commercial Union and Alliance baseball nine or "team," dressed in their uniforms, with the regulation mascot in the center.

Manager Mullins of the Pacific branch of the Commercial Union and Alliance is a conservative fire underwriter of many years' experience. He has been in the service of the Commercial Union for nearly 30 years in various capacities, beginning when a young man, with a clerkship in the New York office. Some fourteen years ago he was appointed manager of the Pacific branch, and a little over a year ago he was also made manager of the Pacific branch of the Alliance. The fine portrait which accompanies this book shows Mr. Mullins to be in the prime of life.

The total net fire and marine premiums of the branch last year were \$422,373. The Pacific branch has jurisdiction over Alaska, Arizona, California, Colorado, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Wyoming, British Columbia and the Hawaiian Islands.



Alliance Assurance Co.,
OF LONDON

PACIFIC COAST BRANCH
View of Main Office taken from the front.

Commercial Union Assurance Co., LD.
OF LONDON



Alliance Assurance Co.,
OF LONDON

PACIFIC COAST BRANCH
View of Main Office taken from the rear.

Commercial Union Assurance Co., Ltd.
OF LONDON



Alliance Assurance Co.,
OF LONDON

PACIFIC COAST BRANCH
View No. 1, Manager's Office.

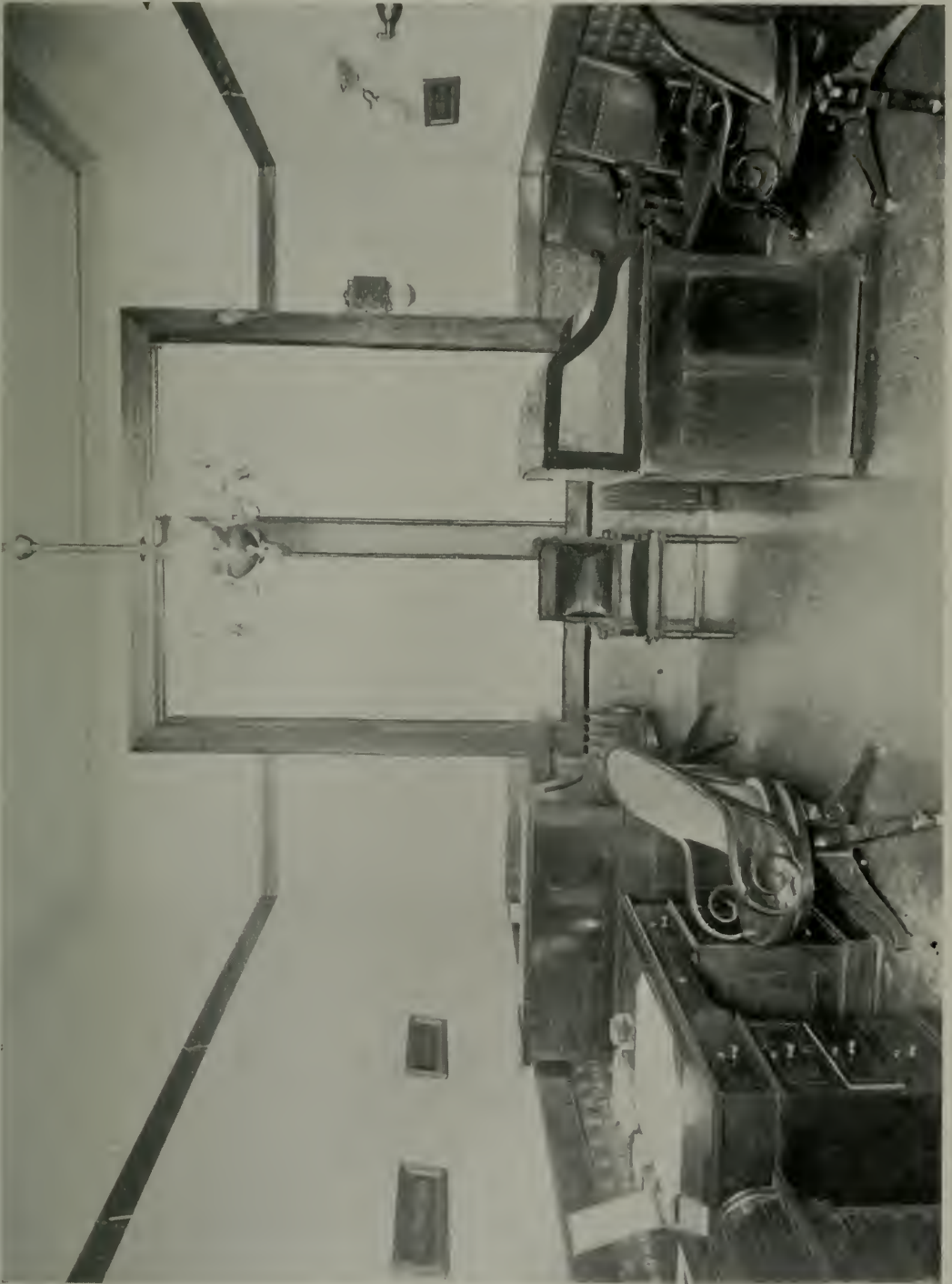
Commercial Union Assurance Co., Ltd.
OF LONDON



Alliance Assurance Co.,
OF LONDON

PACIFIC COAST BRANCH
View No. 2, Manager's Office.

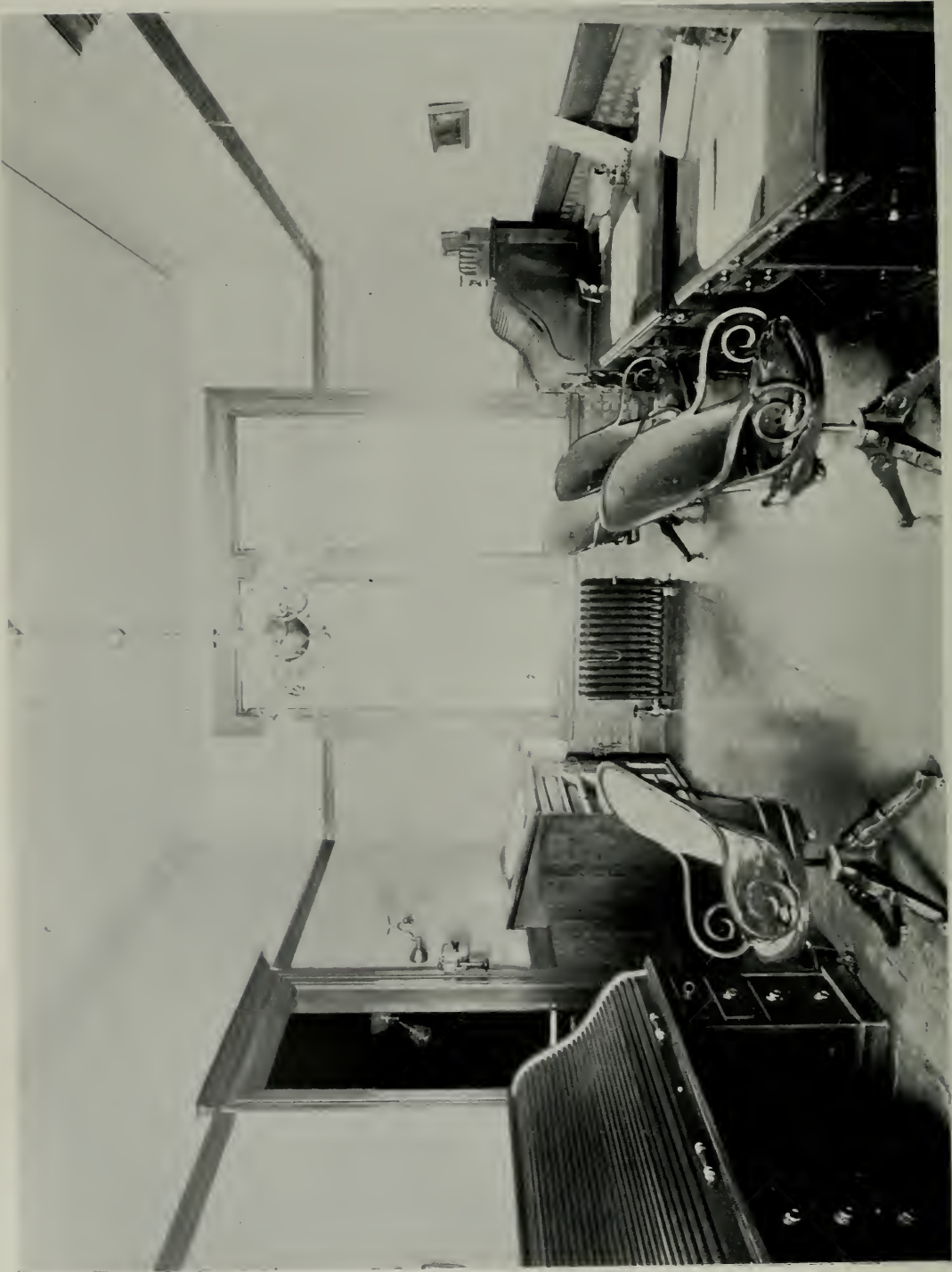
Commercial Union Assurance Co., Ltd.
OF LONDON



Commercial Union Assurance Co., Ltd.
OF LONDON

PACIFIC COAST BRANCH
View No. 1, Surveyors' and Brokers' Department.

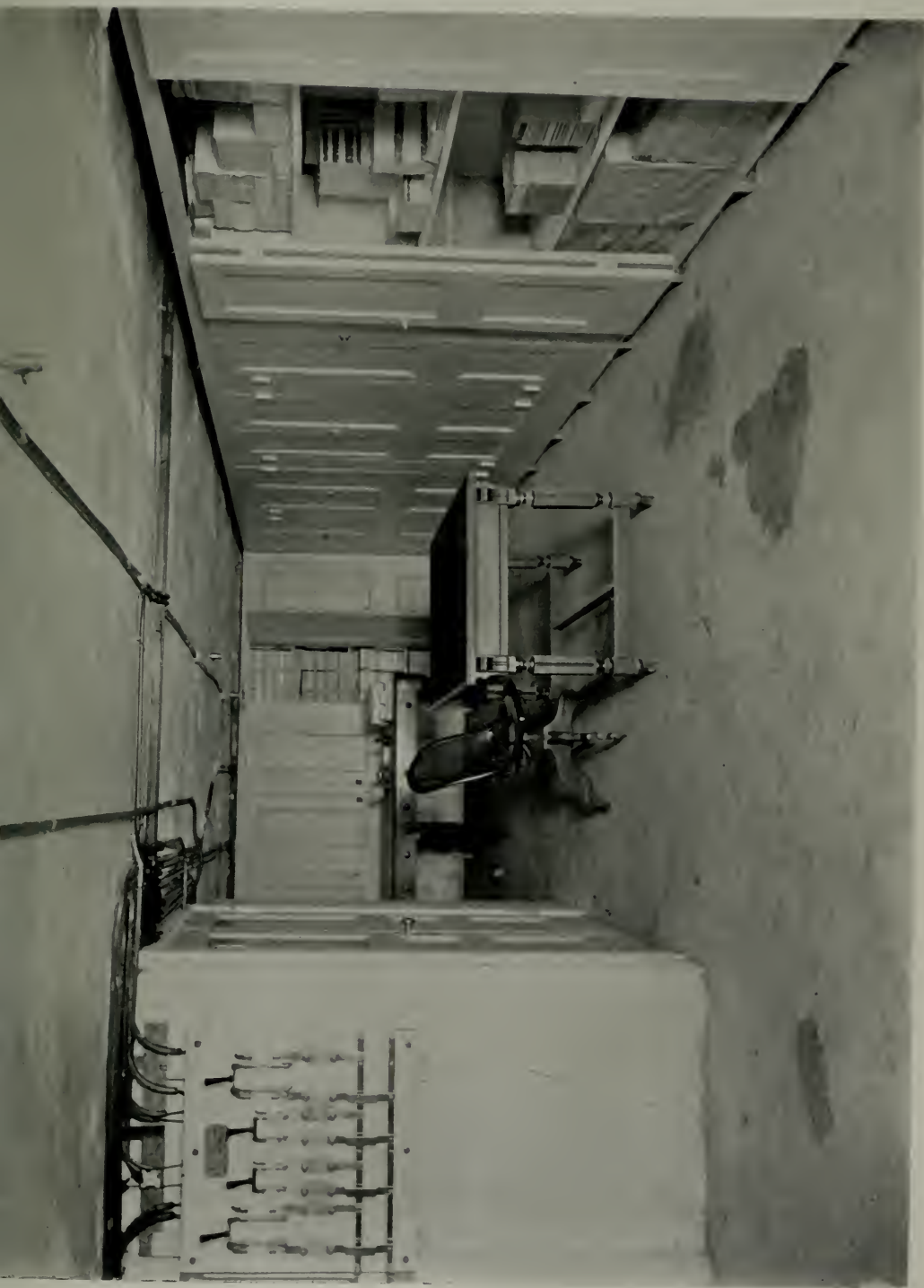
Alliance Assurance Co.,
OF LONDON



Commercial Union Assurance Co., Ltd.
OF LONDON

PACIFIC COAST BRANCH
View No. 2, Surveyors' and Brokers' Department.

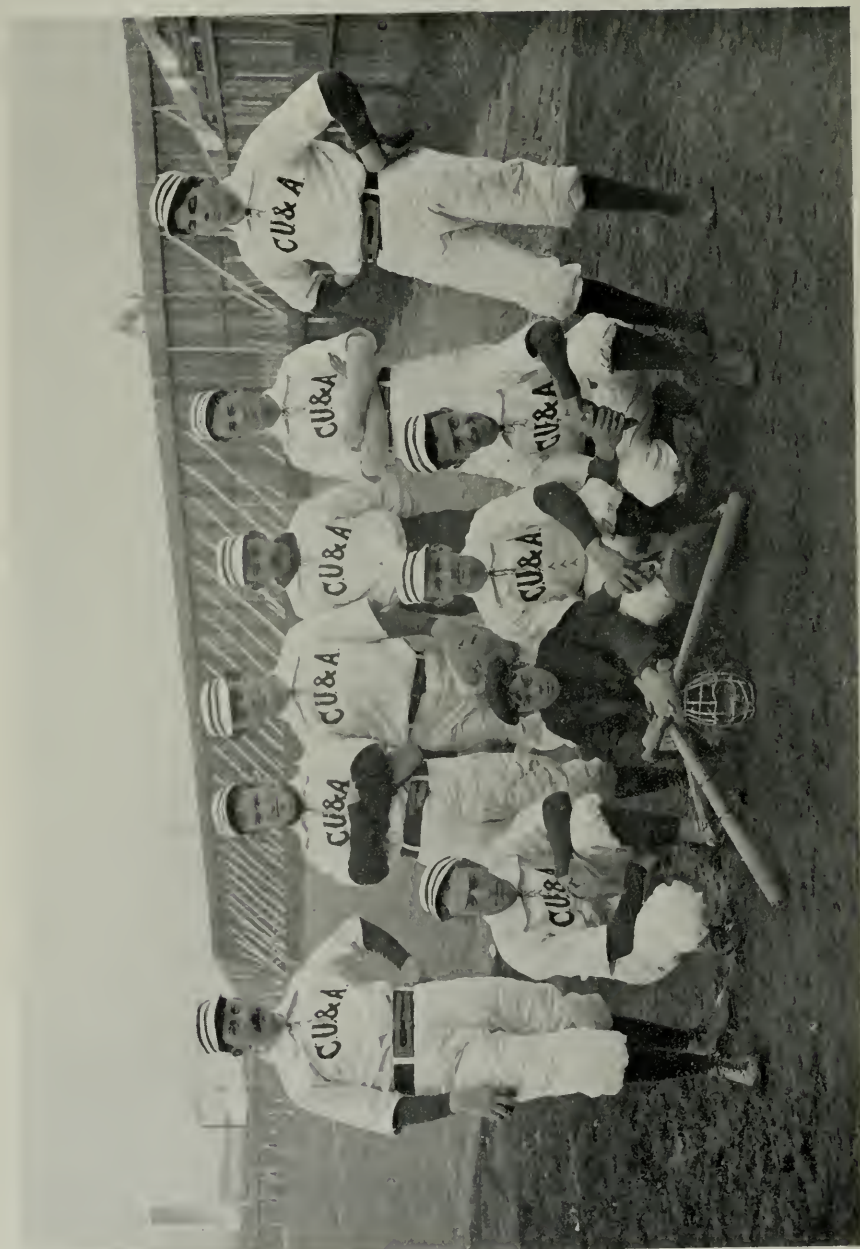
Alliance Assurance Co.,
OF LONDON



Alliance Assurance Co.,

PACIFIC COAST BRANCH
Section of the Simple, Durable

Commercial Union Assurance Co.,



Commercial Union and Alliance Base Ball Team, San Francisco.



C. F. Mullins

Manager Pacific Coast Branch

Alliance Assurance Co.,
OF LONDON.

Commercial Union Assurance Co., Ltd
OF LONDON.

National Church Mutual Fire Ins. Co.

This new alleged church mutual, with headquarters in Lisbon, Ia., has begun wrong. It is trying to do business unlawfully.

The reverend gentlemen are pushing for business. They send circulars to clergymen and church officials in distant States, soliciting business, and have persuaded many persons to violate the laws and send them money.

The Preferred Accident Insurance Company.

The salient figures of the annual statement of the Preferred Accident Ins. Co. of New York are as follows: Assets, \$569,892; capital paid up, \$100,000; net surplus, \$141,793; surplus to policyholders, \$241,793. During the past year noteworthy gains were made. Since June 30 the assets have increased nearly 5 per cent., and the net surplus has gained 12 per cent. These are very creditable gains indeed. Premiums in course of collection have decreased. The reserve for unearned premiums has increased, which shows an increase of business. Since organized the Preferred has paid over \$2,200,000 claims, which is a very good record of benefits concerned, for so young a company. Manager Godwin's Pacific department is in a thriving condition. In California last year \$25,080 new premiums were written, with only \$4,362 losses. This is an increase of several thousands in premiums.

The American Surety Company.

There has been an increased competition in the surety business in the recent past. New companies have been organized and have actively "pushed" for a share of the business. Rates have consequently been lowered. But the big American Surety Company of New York retains its great pre-eminence in this branch of underwriting, and has added to its resources, surplus and reserves.

The annual statement of January 1 gives the following totals: Capital, \$2,500,000; assets, \$5,201,995; surplus to policyholders, \$4,281,826. Such are the re-

sources of the largest surety company in the world.

During 1897 the company paid on its bonds \$833,937, a sum which indicates serious losses on surety and fidelity bonds, in spite of the penalties of the law and the good character of the insured.

In this field, under the management of James R. Garniss, the American Surety wrote an increased amount of new business.

Enormous Marine Losses in January.

From Fairplay, London, February 3.

Evidently January, 1898, will be memorable for its losses, exceeding in severity as they did those of January, 1897, which underwriters then considered phenomenal. The past month must have materially altered for many companies their 1897 account, and for many also it must almost have killed the new year at its birth. The following is the list of last month's losses exceeding £10,000 each, and it will be found sufficiently startling:

Ship or Steamer.	Voyage.	Value of Ship and Cargo.
Gerona (S)—	Portland (Me.) to London	£ 72,000
Clarissa Radcliffe (S)—	Odessa to Rotterdam	38,000
Lepanto (S)—	Boston to Hull	55,000
Jupiter (S)—	Buenos Ayres to Dunkirk	45,000
Lord O'Neil (S)—	Baltimore to Limerick	46,000
Mareca (S)—	Cork to Newport	15,000
Cromarty (S)—	China to New York	225,000
Wileysike (S)—	Cardiff to Las Palmas	15,000
Craig Elvan—	Iquique to U. K.	28,000
Mataura (S)—	New Zealand to London	350,000
City of Carlisle—	Liverpool to Adelaide	20,000
Lady of Furness (S)—	Kushinotzu to Singapore	30,000
Craigend—	New York to China	31,000
Taymount—	Liverpool to San Francisco	38,000
Koelliker—	Calcutta to Hamburg	40,000
		£1,048,000

OVER thirty vessels became total losses on the Great Lakes last year. Losses ranged from \$500 on schooners to \$100,000 on steamers.

The Manhattan Life Insurance Company Wins a Case.

The trial of the case of Edwin A. Ames against the Manhattan Life Insurance Company, which has attracted attention in insurance circles and has been somewhat extensively discussed in the daily papers, was finished before Justice Beach and a jury in New York last week. The result was a judgment in favor of the insurance company. The plaintiff sued as assignee upon a policy for \$10,000 issued by the company upon the life of Henry A. Ostermoor, late of New Jersey, and endeavored to prove various representations and promises claimed to have been made by the agent of the company as to the incontestability of the policy.

In Ostermoor's application, dated November 15th, 1895, he warranted his good health at that time, and also the fact that he had not consulted any physician since the previous January. He further agreed that the policy should take effect only in case of his good health at the time of its delivery, which was December 4th, 1895. The evidence showed that Mr. Ostermoor, who died December 9th, 1895, twenty-four days after the date of the application, had consulted physicians since January, 1895, which fact he suppressed, and was under treatment before and at the time of his application, suffering with serious and fatal diseases, which caused his death. He received the policy December 4th, 1895, while on his death-bed, to which he had been confined for days.

In this case the court has again sustained the validity of the warranties as to facts contained in applications for insurance, and held them to be a part of the contract when so specified in the policy, as was the case here.

Erring English Exchange.

The *Insurance Journal* of London blunders after the usual fashion of the English press in discussing affairs American. It says:

"All the offices doing business in America have felt something of the decline, but they have not suffered to nearly the same extent as the native American offices. The great bulk of the premiums from the States, amounting to some fifteen millions sterling, is divided in almost equal portions between nineteen British companies and twelve leading American offices. In comparing the 1896 figures with those of 1895, we discover that the British offices have a decline of £120,000 in their premiums, or about 1½ per cent., while these native American offices show a decrease of premiums to the extent of £300,000, or about 4½ per cent. The figures speak well for the British offices in any event.

As to the causes of the decline, no doubt it is true that the presidential election interfered with the progress of insurance matters as with other forms of business. In some respects these elections, begun so long in advance and involving such utter disorganization and demoralization, are amongst the greatest calamities that afflict America."

What a ridiculous figure our contemporary cuts. Statistics show that as a whole business generally in Presidential years is better than in others. Fire premiums in this country exceed twenty-six "millions sterling" instead of "some fifteen." The *Journal* is only \$55,000,000 or 70 per cent. wrong in its figures. The foreign (not the British) transact only one-third of the business, which is hardly an "equal division" between the American and British companies. Companies reporting to the New York insurance department transact 90 per cent. of the total business of the United States. In 1896 the Americans increased the amount written and the British and other foreign offices suffered a considerable decrease. Of the amount in force over 12 billions is in Americans and less than six billions is in foreigners. The Americans' premiums fell off only \$38,000; the foreigners' fell off \$1,500,000. The *Journal* is painfully in error. If its editor consults the *Coast Review* tables in the future he will not again make such a display of crass ignorance.

Items.

The *Policyholder* of Indianapolis is the latest. Lively, and justly severe as to Gov. Mount (abank). But the new paper is disgraced by inexcusable typographical errors and omissions.

The *Review* of London favors us with an illustrated record of the great fire in London. We note the details of the pictures with much interest, and remark in passing that inquest jurymen are a fine looking lot of men who resemble Americans.

The State Historical Society of Kansas has been presented with a bronze bust of our esteemed contemporary Daniel Webster Wilder, editor of the *Insurance Magazine* and author of the *Annals of Kansas*. Eugene F. Ware poet and lawyer, "his true friend" presented the bust. Mr. Wilder knew nothing of the matter and never gave the clever artist a sitting. The work was done from photographs.

Our usually well informed contemporary the *Weekly Underwriter* has not yet learned to question the statements of an insurance commissioner. It says that Clunie "calls attention to the fact that while the foreign companies have paid no taxes, the U. S. companies have paid a tax of two per cent. on their premiums in California." This is a misstatement, not a fact. Clunie is a clumsy romancer.

Talks with Property-Owners.

If you went into the office of a physician or lawyer and you found that he had no library of medical or legal books, nor any medical or legal journal, would you expect to obtain from him the best counsel? Would you expect the lawyer to give you the advantage of the latest decisions or be able to refer to a case similar to your own? Would you expect the physician to give you the benefit of new discoveries in the nature and successful treatment of disease? Your negative answer is anticipated: you would seek counsel and help elsewhere.

But what do you do when you insure valuable interests? Do you not risk thousands of dollars with men who know little or nothing of insurance and who prove it by having no insurance library, no insurance journal, and perhaps not even an insurance manual? The solicitor or broker or local agent, ignorant of the law of insurance, ignorant even of correct practices, and knowing nothing of important new decisions affecting the validity of policies, may so write a policy or give such advice as will jeopardy or invalidate a policy.

The average property-holder, insuring his goods or life, will allow any "blacksmith" broker or agent to hazard thousands of dollars, while he would not allow a jack lawyer to risk hundreds nor allow an inexperienced physician to prescribe for a belly-ache. Strange inconsistencies like this are to be met with in all conditions of life and under all circumstances. All which proves that the average man is pretty much a machine, or, in other words, a mere creature of habit.

ONE of the distinguishing features of the past year was the organization of a number of American companies by foreign offices. This may be following Washington's advice to prepare for war in times of peace. The effect has been to increase foreign competition, which certainly was not contemplated by any possible opponents of foreign offices.

ANOTHER feature of 1897 in fire underwriting has been the evolution of a number of "satellites" thrown off by various brilliant orbs in the business. The status of these "underwriters" agencies can hardly be said to be fixed as yet, but they are undoubtedly cleaving out orbits of their own. As a single pair can produce one easily, two pairs can produce six, as the following example of reproduction will prove. Let us suppose there are four companies, to wit: 1, 2, 3 and 4. They produce agency associations as follows:

1 and 2 create 1—total 3
 3 and 4 create 1—total 6
 2 and 3 create 1—total 7
 1 and 3 create 1—total 8
 1 and 4 create 1—total 9
 2 and 4 create 1—total 10

Four companies by uniting in various ways, allowable in law, have produced six additional companies without putting up an additional dollar of capital. There does not appear to be any limit to this process of reproduction. Another four can likewise produce six more, making twenty out of eight, and each member of the second four can form new combinations. And one offspring is by no means the limit. The prospect is pleasing. There can now be no dearth of companies.

A DENVER agent, G. H. Seymore, is suing the New York Life for \$20,000 alleged damages, for bulleting him as a rebater.

Sample State Supervision.

STATE OF KANSAS, INSURANCE DEPARTMENT.
 TOPEKA, January 7, 1898.

FIELD BROTHERS, Zachary, La.

Dear Sir:—Replying to yours of recent date concerning The Travelers Insurance Company of Hartford, Conn., I will say that it withdrew from the State rather than have its assets examined by this department. A large per cent. of its assets in this State is greatly over-valued. Individually, I would not insure in the company.

Truly yours, WEBB McNALL, Supt.

One can always surely detect the new editors' presence when an insurance journal reprints a paragraph about the Old Maids Ins. Co., always located in Denmark, and sometimes by venture given a definite domicile in Copenhagen.

The *Weekly Statement* is now a bi-weekly.

President Louis Weinmann of the Fire Underwriters' Association of the Pacific.

We this month present our readers with a fine portrait of Louis Weinmann, the newly elected president of the Fire Underwriters' Association of the Pacific. Mr. Weinmann has acceptably served the association as secretary and vice-president, and at its recent annual meeting was honored with the presiding office for the ensuing year.

The subject of this biographical sketch is well known as one of the officers of our principal local insurance company and as a field man, but he also has an extended acquaintance socially and in other branches of business.

Mr. Weinmann is a native of California. He was born in Benicia, August 23, 1853. His education was received at the Missionary College of St. Augustine, which was one of the foremost institutions of that day. After being graduated with honors at the head of his class, Mr. W. was appointed principal of the public schools of his native town, where he had been reared and educated. His experience as a teacher and his ability in practical affairs recommended him for the presidency of the board of education of Solano county, which position he held for several years.

Ambitious for a wider and more profitable experience in the affairs of life, Mr. Weinmann built a mercantile building on a prominent corner, and engaged in the drug business. Here he took his first lessons in fire underwriting, as local agent for the Fireman's Fund Ins. Co. The field was too small, and he resigned his agency, disposed of his real estate and business interests, and came to San Francisco in 1886.

For the succeeding two years Mr. Weinmann had charge of the mathematical department of the Commercial High School. This position he resigned in 1888 to accept an appointment as special agent for the Fireman's Fund. After nearly four years of this work, in January, 1892, he was elected assistant secretary of the company, which position he now holds.

Mr. Weinmann has been an able second to Secretary Faymonville. He is an excellent correspondent, and is a student of insurance literature as well as a practical underwriter. A number of valuable papers read at association meetings have been from his pen.

Mr. Weinmann is something more than an underwriter, for he is an enthusiastic sportsman. "Off hours" are devoted to dog and gun, on hill and marsh, and it is a rare thing that home-coming is without a fat game-bag. Love of good sport, too, finds him congenial society as a member of the Corinthian Yacht Club—and as a Shriner, too, for Mr. W. is a past master in the Masonic fraternity and is a member of Golden Gate commandery.

Insurance is a public question in that it has to do with the people as a class and has become a factor in our society. I presume most of the States have supervision over fire insurance. This supervision cannot be expected to be uniform, and it is probable that the statutes of each State having laws governing insurance are dissimilar in a marked degree. These different requirements and methods and machinery must impose on the companies greatly enhanced expenses. Who pays these expenses? The public. The companies simply increase the rates to meet the taxes and tolls and loss of interest on deposits, and expenses growing out of obedience to the law. The public increases its State or municipal revenue by paying increased premiums.—Higinbotham.

During the past twenty-three years 252 alarms have been turned in from box 254 at the corner of Dupont and Washington in Chinatown, San Francisco. Next, box 296, Mission and Fourth, 130 alarms. Next, box 295, Howard and Third, 125 alarms. Next, Market and Kearney, box 283, 124 alarms. Box 286, Howard and Fremont, 116 alarms. Box 281, Market and Powell, 109 alarms. Box 362, Market and Taylor, 105 alarms. Box 419, Bryant and Sixth, 102 alarms. These are all the boxes that have had over 100 alarms from 1875 to 1897 inclusive. The total for 1897 was 571.

The Merchants Fire, \$500,000 cap., Toronto, organizing.



LOUIS WEINMANN, President
Fire Underwriters Association of the Pacific.

Twenty-Second Annual Meeting of the Fire Underwriters' Association of the Pacific.

On the 15th and 16th inst. the annual meeting of the Fire Underwriters' Association of the Pacific was held in San Francisco, in the rooms of the Board of Fire Underwriters. The attendance was goodly and the proceedings were of more than usual interest. Some of the papers became the subject of comment on the street. Many visitors from "abroad" were present. President Osborn occupied the chair very creditably, and kept the program running smoothly to the finish. We regret that the lateness of the meeting prevents our giving extracts from the papers and something more than a hint of the discussions that followed. Our March number will surrender a good bit of space to this matter. The following named officers were elected for the ensuing year: Louis Weinmann, president; Edward Niles, vice-president; Calvert Meade, secretary-treasurer; executive committee, Whitney Palache, chairman, Wm. H. Bagley, Leslie A. Wright.

The association is in a flourishing state. During the past year thirty-seven active members were elected and five honorary. The total active members is now 199, which with the honorary members make 225 altogether. The new members are as follows:

MEMBERS ELECTED FOR YEAR ENDING FEBRUARY 16, 1898.

<i>Active.</i>	<i>Active.</i>
F. C. H. Robins	Wm. B. Streeter
Warren Campbell	James S. Reed
Roger B. Friend	Wm. H. Street
Harry Benner	F. B. Kellam
W. W. Alverson	Edwin B. DeGolia
C. H. Ward	John W. Gunn
Burns Macdonald	T. D. Boardman
C. G. Yates	C. E. Schlingheyde
Fred. R. Stover	C. J. Stovel
Henry C. Rodgers	Frank E. Walsh
Walter J. Wilson	Tom. R. Roberts
George A. Crux	R. M. Buckman
J. H. Ankele	Willard O. Wayman
Wm. M. Klingler	Charles B. Hill
J. B. Walden	Harry W. Fores
A. W. Giesy	H. E. Parkhurst
Wm. R. Heath	John O. Thomas
Carl A. Henry	Frank W. Dickson
A. C. Thornton	

Honorary.

Thomas S. Chard	J. H. Richards
Sam M. Donnell	J. W. G. Cofran
	Robt. Dickson

The out of town attendance was as follows:

F. J. Burnes, Seattle; Young E. Allison, Louisville; John C. Dornin, Tacoma; J. H. Flanagan, Marshfield, Or.; P. E. Gerald, Portland, Or.; S. W. Kroesen, Gilroy, Cal.; J. H. O'Bryan, Portland, Or.; Leon Rosenblatt, Portland, Or.; D. C. Reed, San Diego; J. N. Waters, Placerville, Cal.; A. W. Whitmer, Portland, Or.; H. E. Williamson, Stockton; Warren Campbell, Los Angeles; W. L. Gazzam, Seattle; John W. Gunn, Salem, Or.; J. H. Richards, Los Angeles; E. G. Sprowl, Tacoma; W. B. Streeter, Portland, Or.; Samuel B. Stoy, Portland, Or.; C. G. Yates, Los Angeles; W. J. Green, Salt Lake; A. C. Thornton, Portland, Or.

There were several surprises at this very interesting meeting—among them an agreeable surprise for George F. Grant, for the past twenty years the editor of *California Knapsack*. The members chipped in and had a handsome silver loving-cup made, and suitably engraved. This was formally presented to him after he had finished the contents of the *Knapsack*.

The committee on the president's address reported as follows: that the library committee should be furnished with sufficient funds to buy all valuable new publications; that the committee on reinsurance clause has failed to secure unanimous consent of managers to any reinsurance clause, however worded, and that any further efforts in this direction would be wasted; that we look with considerable favor on the president's suggestion as to underwriting problems, and recommend that the incoming president appoint a committee to formulate problems to be sent to every member for solution; that we approve of the suggestion regarding the editing and reprinting of the *Knapsack* in a single volume; that we cannot recommend that the funds of the association be used for the reprinting of the proceedings of 1883, because it would be a bad precedent. The committee making this report was composed of W. H. Low-

den, Whitney Palache, W. H. Bagley and J. L. Fuller.

The program was carried out as follows:

February 15—

Secretary-Treasurer's Reports . . . Calvert Meade
Executive Committee's Report . . . F. G. Argall
President's Address . . . R. W. Osborn
Stipulation and Waiver . . . T. C. Van Ness
Special Agents . . . Edward Niles
Practices of Fire Underwriting . Young E. Allison

February 16—

Local Agents and Adjustments . . . R. A. Luke
Eloquence of a Smile . . . Wm. Sexton
Assistant Managers . . . Wm. H. Bagley
Value of the Sprinkler . . . W. S. Davis
Our Duty to the State . . . D. Ostrander
Garnishments . . . W. S. Goodfellow
Reading of *Knapsack* . . . Geo. F. Grant

The banquet followed in the evening. Of course there was a merry time. Two mayors were present, from the harbor cities San Francisco and San Diego. About one hundred members of the association and their guests were there, but some familiar faces were absent. "We are with you in spirit" telegrams were received from Cofran, Speyer and Driffield. Good speeches, stories and songs made the affair delightful. The new president, Louis Weinmann, and the new vice-president, Edward Niles, were "stood up" and compelled to speak their little pieces. Other speakers were Mayor Phelan, Mayor Reed of San Diego, Young E. Allison, Wm. J. Dutton and others. R. W. Osborn, the retiring president, presided, and with graceful speech introduced the new officers and the several guests. and called upon various members for such remarks as the spirit of the evening might move them to utter. Whitney Palache sang several times, in response to clamorous "encores," and a quartette pleased the banqueters with a number of topical songs. R. C. Medcraft sang several verses composed by R. W. Osborn, entitled a "Hot time in 'Frisco," and the happy banqueters chimed in with the chorus. "Czar Clunie" received some chin-tappers in two verses, introducing this the last chorus:

Raise your heads, for we have done no wrong,
Shout our rights and keep the shout up long;
And when you tire, just merge your shout into the
song—
There'll be a good time in 'Frisco this year.

Chips.

—Frank E. Walsh of Los Angeles has been spending a few days in the city.

—B. Faymonville of the Fireman's Fund is visiting his agents in Texas and Arkansas.

—Insurance rates are advancing in Kansas, where there is no "odious monopoly." Same in Michigan.

—Pittsburg members of the Mutual Reserve Fund are to hold a mass meeting and protest against the increased assessments.

—C. A. Stuart has engaged with J. D. Richards in city department of the Fire Association and Philadelphia Underwriters.

—A. C. Thornton, special of the Fireman's Fund at Portland, is spending a few weeks in San Francisco, assisting Mr. Weinmann during the absence of Mr. Faymonville.

—Harry H. Smith, special for the Union, Law Union & Crown and the Ocean Accident, is looking after the interests of these three popular companies in the Pacific Northwest.

—We are much inclined to agree with the Denver paper which classes Edward Atkinson as a "phenomenal old humbug." His statistical output is evidently machine-made to order.

—The Fireman's Fund last week purchased an adjoining piece of property on California street, at 411. This gives the company a splendid frontage of 137½ feet on California and 87½ feet on Sansome. The intention is to some day erect a handsome modern office-building, six or seven stories high, on this most desirable business corner.

—Eastern firemen have been scared by a bugaboo, and fearing that the "relief" fund tax will in some way be repealed they are signing petitions against the proposed Federal insurance supervision law. Senator Platt of Connecticut, who introduced the bill by request, has taken fright: and he assures the firemen politicians that the bill will never be heard from again. Of such poor stuff is the modern senator.

—Young E. Allison, editor of the *Insurance Herald* of Louisville, was one of the *Coast Review's* callers last week. Mr. Allison made a very happy speech at the underwriters' banquet. He also read, as narrated elsewhere, a paper at the annual meeting of the Fire Underwriters' Association. This paper caused a good deal of comment. We shall have something to say about it in our next issue.

—"Public office is a private snap." Chorus by Populist insurance commissioners.

—W. J. Washburn has been appointed receiver for the Bankers Alliance of Los Angeles.

—The National Life's annual statement was all made up on January 1. There were gains in all departments.

—The "Quarterly Proceedings of the Actuarial Society of America" will receive further attention later on.

—The Williamsburg City now has \$1,799,472 assets and \$937,129 net surplus, the former gaining \$165,000, and the latter \$126,000. The general agent on the Coast is Ed. E. Potter.

—The Mutual Reserve's fifteen-year bonds are falling due. May be this fact explains the feverish eagerness of the association to issue substitute policies. Agents promised that at the end of fifteen years the interest on these bonds would pay all premiums or assessments. The Mutual Reserve is evidently in serious straits.

—The Fidelity & Casualty statement, just received as we are "locking" our "forms," gives the following totals: assets, \$2,967,010; net surplus, \$489,726; policyholders' surplus, \$739,726. The assets increased over \$400,000 and the net surplus increased \$160,000. At the rate of gain made last year, the assets of the Fidelity & Casualty at the present writing must exceed three millions. The Pacific department under Manager Pardee is in a prosperous condition.

—Secy. Brannen of the Colorado-Wy.-N. M. Ass'n of Locals asks Colorado agents to join in an effort to have the companies sign an agreement not to write risks within the State except through agents within the State. The insurance czar is to be asked to require such an agreement "in the absence of legislation on the subject." The Denver agents opposed such legislation a year ago. The circular letter says: "To-day the local agents' field is overcrowded. One of the best towns in Colorado with a premium income of \$10,000 per annum has fourteen local agents." "Best towns" everywhere as a rule are "overcrowded," Mr. B. Better avoid asking any favors of an insurance commissioner or investing him with any more arbitrary authority. After all, more business for the local will only end in more locals to do the business, so long as other conditions remain the same.

—Wm. H. C. Fowler has moved to 210 Sansome street.

—An organized gang of incendiaries has been discovered in London.

—"Let not the execution grow cold." Nail the application now!

—Another New York Lloyds has failed. Are there any more left?

—The Farmers Alliance Mutual of Denver is undergoing an official survey by Deputy Vivian.

—"Retail price, less 40 per cent.," is the way an Eastern bicycle maker insures his goods. Isn't \$75 a pretty stiff price for the chainless at wholesale?

—Now He Believes in Insurance.—A citizen of Buckfield, Me., lost his house and all his furniture by fire. His neighbors came to his relief by the presentation of various household articles, and among them were forty bedsteads.

—The ever excellent *Post Magazine Almanack*, for 1898, has been received from the publisher, T. J. W. Buckley, Fleet street, London. Looking over its pages we note how few and unimportant are the non-tariff offices in the United Kingdom. Such as church insurance societies and farmers' mutuals.

—San Luis Obispo, Cal.—Trustee Reed asked if the fire apparatus was insured. He was informed that it is, whereupon he said "well that's the most foolish thing that I ever heard of. The apparatus isn't in any danger while in the building, and when it is out at a fire the insurance doesn't affect it." He was informed by Clerk Sammann that the insurance was placed on the apparatus at his (Reed's) order. Mr. Reed promptly got the laugh from all parties.—Breeze.

—Contracts which suspend liability for loss while a premium note is in default have been declared valid, even if the note is payable as a whole, notwithstanding such suspension of liability. But here comes the Minnesota supreme court which upsets a "rider" reducing liability one-third during a prolonged vacancy. The wise court says that such a rider, which only makes the insured a co-insurer during a period of extra hazard, is a "device" to cheat the insured. Such a decision is merely the result of mixing the judiciary and politics. Its only effect must be to make the insured to carry all the special risk himself instead of only a third.

—**SAN FRANCISCO PREMIUMS.**—The total for last six months of 1896 was \$445,410; last six months of 1897, \$749,901.

—The United States Fire (represented by George Tyson) reports \$737,021 assets and \$206,355 net surplus. Both figures are large gainers.

—The United States now has four fire companies with over \$10,000,000 assets each, to-wit: Aetna, Home, Hartford and Ins. Co. of North America.

—The Phoenix of Hartford now has \$5,538,379 assets, a gain of \$218,000. Its net surplus is \$1,022,915, a gain of \$302,000. The Phoenix is represented by Arthur E. Magill.

—**HELVETIA SWISS.**—United States branch figures: Assets, \$843,677; surplus, \$592,146. Represented in this field by H. W. Syz & Co. The Helvetia Swiss has \$2,261,822 cash assets.

—The Providence-Washington reports \$1,874,397 assets and \$370,148 net surplus. Assets gained \$320,000, and net surplus gained over \$145,000. Butler & Haldan represent this thriving company in this field.

—There are about 8,000 insurance men voters in California. They hold the balance of power in a State election. It would be well to assert this power on occasion, in behalf of clean men and especially in condemnation of unclean men. After all, "politics is business."

—Chas. F. Russell's bondsmen, ex-Senator Bibb and C. A. Warren, have been sued by the Globe, which formerly did business here. Russell was Van Slyke's "Co." Russell wielded a pen too freely in a check-book, but he neglected to leave a memorandum of his contemplated route of travel.

—The Washington supreme court has rendered a decision which makes the offensive Populist mortgage law of that State a dead letter. The law favored mortgagors so much that it prevented money-lending and the development of the country. Insurance companies are interested in this decision. The act prohibiting gold contracts was held void as being a subject on which a State cannot legislate, it belonging to the Nation exclusively. Mortgage loans can now be made safely, with the qualification that the mortgagor cannot enter into a binding stipulation to give immediate possession. The court, however, may direct application of rents and profits to the payment of the debt.

—**MUTUAL LIFE CUP WINNERS.**—Montana, Thomas H. Burke, with a record of \$350,000. Colorado, A. F. Macklin.

—Four days! This was the time one life policy was in force, in the United States Life, before the insured died.

—Eugene Harbeck, Western manager of the Phenix of Brooklyn, has been confined to his house by an attack of rheumatism.

—Colorado, Wyoming and New Mexico premiums fell off slightly last year. They still lack over \$200,000 of the halcyon '92.

—The little North American of Boston suffered serious losses in all the divisions of its annual statement, last year. "Now is the time to buy."

—Sprinklers did good service at the Melbourne fire by checking the flames in a number of buildings, until the fire department could do effective work.

—The Greenwich (represented by Tom C. Grant) has \$1,484,685 assets and \$436,128 net surplus, the former gaining over \$105,000 and the latter gaining \$152,000.

—Up to January 1 the Mutual Life of New York had paid \$191,463,036.45 death claims and \$41,284,243.56 matured endowments. Average daily payments now exceed \$62,000.

—The Hartford Fire leads all companies in the amount of United States fire premiums, with \$5,742,565 in 1897. The Liverpool & London & Globe is next, with \$5,194,546.

—The Aetna leads all fire offices in net surplus, it having \$4,433,719. It also leads in capital (\$4,000,000) and in policyholders' surplus, with \$8,433,719. The Hartford comes next in net surplus.

—J. Frank Jewell, assistant cashier of the Union Mutual Life agency, returned from a trip of one month, having visited several of the company's agencies in the northern part of the State.

—**CALEDONIAN.**—United States branch figures: Assets, \$2,212,278, gain of \$11,000; surplus, \$1,032,758, gain of \$111,000; premiums, \$1,331,030, gain of \$101,000. L. B. Edwards represents the Caledonian in this field.

—The Phenix of Brooklyn's January 1 statement shows \$5,613,877 assets and \$1,022,915 net surplus. Assets gained \$35,000 and surplus gained nearly \$100,000. Eugene Harbeck is manager of the Western department.

—"What are you going to do about it?"

—Chicago losses last year were over \$3,500,000.

—Chorus of commissioners: "Oh, insurance companies are dead easy game."

—Vice President Bates of the Union Mutual Life, accompanied by Mrs. Bates, has been spending a few weeks on the Coast.

—J. G. Lavery, expert accountant and adjuster of fire losses, has moved his office to the Nevada block, where he will be pleased to see his friends.

—D. A. Spencer announces himself as adjuster of fire losses, with office at 210 Sansome street. Mr. Spencer is an experienced adjuster and well known to our Coast underwriters as thoroughly trustworthy and conservative.

—The Manhattan Fire has appointed Van Slyke & Co. agents. This means that it has become a non-boarder under the new management of the spectacular Armstrong of Mutual Fire fiasco.

—The Westchester 61st annual statement shows \$2,531,362 assets, a gain of \$290,308. Its net surplus is \$999,828, which is a gain of over \$296,000. H. C. Keller represents the Westchester in this field.

—The Aetna now has \$12,089,090 assets, gaining over \$650,000 in the year. The net surplus is \$4,433,719, a gain of \$584,000. Boardman & Spencer are the Aetna's general agents for the Pacific West.

—The *Adjuster's* January special number is a handsome and interesting publication, evincing careful labor and artistic taste. It will long be preserved for its portraits, biographies and historical resume.

—The Connecticut Fire reports \$3,559,327 assets and \$984,018 net surplus for January 1. Net surplus gained \$316,000. Assets gained over \$259,000. Ben J. Smith is the general agent for the Connecticut Fire for the Coast.

—THANKS.—E. B. Hamilton of Anaconda, G. H. Munson of Spokane and Adjuster Gunnison of San Francisco have placed us under obligations for copies of the missing August number. We can now supply three applicants for this copy to complete a file.

—The German-American on January 1 had \$7,834,699 assets, and \$3,678,999 net surplus. The assets gained over \$764,000, and the net surplus gained nearly \$672,000. Geo. H. Tyson is the Pacific Coast representative of this prosperous company.

—"Every dog has his day."

—The Aetna leads all American fire companies in assets, with \$12,089,090.

—The German Alliance has doubled its capital and paid up net surplus.

—The Atlas United States branch has \$1,028,355 assets, a gain of \$23,000. The net surplus is \$564,717, a gain of over \$41,000. Frank J. Devlin is manager for this old English office on the Coast.

—The Insurance Company of North America now has \$10,057,221 assets, a gain of over \$370,000. The net surplus is \$2,602,597, a gain of \$282,000. James D. Bailey is the general agent for this old company on the Coast.

—Salt Lake will probably have a life insurance case of some celebrity. Lawrence P. Brown, "a prosperous grocer," was insured for \$50,000, chiefly in fraternal societies. On the 15th inst. he was killed by burglars who, not having any shooting-iron, took Brown's away from him and shot him dead.

—*Insurance Press*, New York, Feb. 2, says: A fire occurred a few days ago at about 8.39 p. m. in building Nos. 478-482 Broadway, this city, occupied for mercantile and light manufacturing purposes and equipped with automatic alarms and Grinnell glass seal sprinklers with central station connection. Both the thermostats and central station alarms operated and called in the fire department which found that four heads had opened and practically extinguished the fire with a damage of a few hundred dollars, a good share of which was due to water reaching the floors below. Another example of the benefits derived from automatic protection.

—The Preferred Accident Insurance Company began issuing on the first of the year a number of new forms of policies, and Manager Godwin informs us that they are selling very well to the insuring public. The statement of the Preferred has recently come to hand, and it shows an increase all through in assets and surplus. The California business of the company exceeded that of any other for the year 1897, and a good increase was made in premium income. Everything points to a most prosperous year for this department, business continuing good over all the Coast. Manager Godwin is at present in southern California, looking after the interests of his progressive company in that portion of the field.

FIFTY-THIRD ANNUAL STATEMENT

NEW YORK LIFE INSURANCE COMPANY,

346 and 348 Broadway, New York City.

JOHN A. MCGALL, President.

Balance Sheet, January 1st, 1898.

ASSETS.

United States Bonds (\$1,323,000), and State, City, County and other Bonds (\$103,850,803), cost of both \$103,384,694; market value	\$108,173,803
Bonds and Mortgages (900 first liens)	41,082,422
Real Estate (74 pieces, including twelve office buildings)	16,491,000
Deposits in Trust Companies and Banks, at interest	10,243,981
Loans to Policyholders on their policies as security (legal reserve thereon, \$13,747,803)	7,900,006
Stocks of Banks, Trust Companies, etc. (\$4,047,817, cost value), market value, December 31, 1897	5,065,948
Loans on Stocks and Bonds (market value, \$5,023,655)	4,307,397
Premiums in Transit, reserve charged in Liabilities	2,164,297
Quarterly and Semi-Annual Premiums not yet due, reserve charged in Liabilities	1,889,474
Interest and Rents due and accrued	1,486,048
Premium Notes on policies in force (reserve charged on Liabilities, \$2,500,000)	1,189,401
TOTAL	\$200,694,440

LIABILITIES.

Policy Reserve (per attached certificate of New York Insurance Department)	\$164,956,079
All other Liabilities: Policy Claims, Annuities, Endowments, etc., awaiting presentment for payment	2,268,320
Surplus Reserve fund voluntarily set aside by the Company	16,105,926
Net Surplus (per attached certificate Insurance Superintendent), December 31, 1897	17,176,105

TOTAL

\$200,694,440

CASH INCOME, 1897.

New Premiums,	\$ 6,659,815
Renewal Premiums	26,321,145
Total Premiums	\$32,980,960
Interests, Rents, etc.	8,812,124

TOTAL \$41,793,084

EXPENDITURES 1897.

Paid for Losses, Endowments and Annuities	\$14,052,908
Paid for Dividends and Surrender Values	5,356,541
Commissions (\$8,231,964) on New Business of \$135,555,794, Medical Examiners' Fees, and Inspection of Risks (\$391,135)	3,631,089
Home and Branch Office Expenses, Taxes, Advertising, Equipment Account, Telegraph, Postage, Commissions on \$741,065,131 of Old Business, and Miscellaneous Expenditures	4,770,391
Balance—Excess of Income over Expenditures for year	13,982,145

TOTAL

\$41,793,084

INSURANCE ACCOUNT.

ON THE BASIS OF PAID-FOR BUSINESS ONLY.

	No. of Policies	Amount
In Force December 31, 1896	297,785	\$826,816.648
New Insurance paid for, 1897	63,708	135,555.794
Old Insurances revived and increased, 1897	699	2,007.825
TOTALS	364,192	\$964,380.267

DEDUCT TERMINATIONS:

By Death, Marriages, Surrender, Expiry, etc.	31,234	87,359.342
In Force, December 31, 1897	332,958	\$877,020.925
Gain in 1897	33,173	\$50,304.277
New Applications declined in 1897	9,310	35,020.486

Certificate of Superintendent of State of New York Insurance Department.

ALBANY, January 6, 1898.

I, LOUIS F. PAYN, Superintendent of Insurance of the State of New York, do hereby certify that the NEW YORK LIFE INSURANCE COMPANY, of the City of New York, in the State of New York, is duly authorized to transact the business of Life Insurance in this State.

I FURTHER CERTIFY that, in accordance with the provisions of Section Eighty-four of the Insurance Law of the State of New York, I have caused the policy obligations of the said Company, outstanding on the 31st day of December, 1897, to be valued as per the Combined Experience Table of Mortality, at FOUR PER CENT. interest, and I certify the same to be \$164,956,079.

I FURTHER CERTIFY that the admitted assets are

\$200,694,440.89.

COMPARISON FOR SIX YEARS.

	(1891-1897.)	
	Dec. 31, 1891.	Dec. 31, 1897.
Assets	\$125,947,200	\$200,694,440
Income	31,854,194	41,793,084
Dividends of Year to Policy-holders	1,260,340	2,434,981
Number of Policyholders	182,803	332,958
Insurance in force (premiums paid)	575,689,649	877,020,925
		301,331,276

The general liabilities \$2,366,330.49. The Net Policy Reserve as calculated by this Department

\$164,956,079.00.

The Surplus Reserve Fund voluntarily set aside by the Company, which, added to the Department Policy Valuation, provides a liability equivalent to a three per cent. reserve on all policies,

\$16,195,926.00

The Net Surplus (excluding the Surplus Reserved Fund of \$16,195,926),

\$17,176,105.40.

IN WITNESS WHEREOF, I have hereunto subscribed my name, and caused my official seal to be affixed at the City of Albany, the day and year first above written.

LOUIS F. PAYN, *Superintendent of Insurance.*

HEADQUARTERS PACIFIC COAST DEPARTMENT

CHAS. A. McLANE, Agency Director

MILLS BUILDING, San Francisco.

—"Health Hints for the Home" is the title of a very useful book of 91 pages issued by the Metropolitan Life and presented to its army of policyholders. The valuable contents of this eminently practical little book can not fail to be of benefit to its readers and therefore of benefit to the company insuring them. The "Met." has set a good example which even fire offices might profitably follow. Disease and fatalities often result from ignorance—and so do fires. We suggest "Fire Hints for Household-ers," with a "Coast Review Job Print" imprint.

J. G. LAVERY,

Professional Accountant
and
Fire Loss Adjuster ❧ ❧

TEL. BLACK 1391

ROOM 43
NEVADA BLOCK, S. F.



GRINNELL SPRINKLER CLOSED.

GRINNELL

AUTOMATIC SPRINKLER,

Both Wet and Dry Systems.

The only Perfect Solution of FIRE
EXTINGUISHING.

For information and proposals apply to
Pacific Coast Automatic and Fire Exting-
uishing Company,

206 SANSOME ST.

SAN FRANCISCO.

—Dawson City has already had several fires. "No insurance."

—English insurance exchanges are busy, printing reports of companies' business in 1896.

—Will C. Cree has been appointed special agent of the Thuringia Insurance Company, for Colorado, Montana and Idaho, with headquarters at Denver.

—Among the visitors attending the meeting of the Fire Underwriters Association and its banquet was Hon. D. C. Reed, a prominent insurance agent and mayor of San Diego.

—The Franklin Fire (reviewed elsewhere) has \$3,125,082 assets and \$1,107,735 net surplus. Both figures are considerably larger than a year ago. Ed. E. Potter is general agent for the Coast.

—Flimsy buildings in this country receive a good deal of attention from the same foreign press that fails to comment on the six story London brick building that collapsed six minutes after the place took fire.

—The Continental of New York has \$8,582,207 assets and \$3,117,995 net surplus. There was a gain of \$847,000 in surplus and \$806,000 in assets in the past year. J. J. McDonald is Western manager for the Continental.

—B. B. Broomell, for many years special agent with Manager Dornin's office, has been appointed special agent and adjuster for the Phoenix of London and Providence-Washington. Mr. B. will look after the interests of these two companies in the Pacific Northwest, where he is familiar with the business.

—Voss, Conrad & Co. wrote in California last year, for the Frankfort Accident & Plate Glass Ins. Co., \$6,782,767 of risks for \$59,210 premiums and incurred \$22,659 losses. These totals are made up as follows: Accident \$1,445,000 written, \$12,575 premiums, \$4,812 losses. Employers' liability, \$4,965,000 wr., \$43,715 prs., \$16,790 loss. Plate-glass, \$372,767 wr., \$2,919 prs. and \$1,055 loss.

—The Hamburg-Bremen's American branch increased its assets \$121,008 and added \$94,457 to its surplus. Increased business is indicated by the increased liabilities. The 25th annual statement of the United States branch shows the possession of \$1,614,405 assets, of which the surplus is the handsome sum of \$702,178. Manager Rudolph Herold of the Coast department added over \$16,000 to the annual premiums from this field and incurred only 42 per cent. losses.

THE COAST REVIEW.

—The Connecticut Mutual Life will make no additional charge to holders of policies at the date of declaration of hostilities, in the event of war.

—E. J. Sieben, a bright young business man of Sacramento, has entered the life insurance business as an agent of the New York Life Insurance Company.

—R. H. Dodd, recently general agent for Washington for the Covenant Mutual of Galesburg, is now manager of the Penn Mutual for Spokane and eastern Washington.

—In the prize contest offered by Sherman & Harmon, of the Penn Mutual, for the most business written during the last half of 1897, W. A. Campbell, of Portland, won first place, and H. L. Sizer, of Seattle, second.

—R. H. Smith, who was for many years a special agent of the Northwestern Mutual Life Insurance Company on this Coast, has made a connection with the New York Life Insurance Company as a traveling special, and is doing good work.

—James W. Mathena, for several years one of the general agents of the Connecticut Mutual for Oregon, has accepted the position of superintendent of agencies of the Penn Mutual of Philadelphia, with Sherman & Harmon, of the North Pacific department.

—E. C. Rutherford, a long time correspondent of the *San Francisco Call* at Sacramento, and clerk of the police court in that city, is at present expounding upon the many virtues of life insurance as sold by the New York Life Insurance Company. Mr. Rutherford's extended acquaintance among the business men and statesmen at the capital should make him a valuable acquisition to the agency force of the New York Life.

—The State of the American Union which first created an American insurance corporation enacted, in 1810, that no foreign parties should engage in the insurance business within its boundaries; in the development of this rule a prohibitory tax of 20 per cent. was levied in 1829 upon the premiums received by *all* foreign insurance corporations essaying to do business in the State, and any body politic not incorporated by the State which it enters is a foreign corporation—that is, a corporation foreign to the State. So the State chartered companies had the monopoly. (Fowler's History of Insurance, pp. 92, 127.) But it wasn't worth anything to them.—*American Exchange and Review*.

—The Union Mutual Life grants war permits without extra charge.

—Manager Godwin's Pacific department is at the head of the Preferred Accident's honor roll.

—NANAIMO TAX.—The Council finally agreed to tax insurance companies \$25 annually, instead of \$100.

—The National Life of Vermont will issue free war permits to all its policyholders at the time hostilities break out.

—Charles A. Willis has been placed in charge of a southern California department for the Manhattan Life at Los Angeles.

—The Phoenix Mutual Life will allow any of its policyholders to enlist in defence of the country, without extra premium charge.

—An Indianapolis clergyman, rector of St. Paul's Episcopal church, recently made a very forceful and eloquent after-dinner speech at a banquet given by the local life underwriters' association. We give a quotation elsewhere, taken from *Rough Notes*' report of the meeting and banquet.

—SOLICITOR SLAIN.—M. F. Schelderup, a traveling solicitor for the Equitable Life, was shot and killed at Seattle, Wash., Sunday afternoon, March 27, "by an angry father." Schelderup was of Norwegian birth, and is said to have had a wealthy wife. From all accounts he was "a lightning solicitor."

—The New York Life Insurance Company has opened a northern California branch with headquarters at Sacramento. They have fitted up commodious offices in the Stoll building at the capital and placed the branch in charge of G. E. Tucker, supervisor of agents of the Pacific Coast. Mr. Tucker will from this point handle the northern and central part of the State, including the mountain counties.

—President McCall of the New York Life was in California last month. One of the dailies says his visit had something to do with the purchase of railway bonds. Another paper says he had a satisfactory interview with the insurance commissioner. There is no truth in the rumor to the effect that the New York Life Insurance Company contemplates purchasing the Blythe block on the corner of Market and Kearny Sts., this city, or any portion of it.

Insurancepressdom.

The *Ins. Press* prints a monthly edition. Monthly or try monthly?

We must all look to the *Weekly Underwriter* for legislative news.

H. H. Putnam is now editor of the *Standard*. Hence these opinions.

The *Spectator* must gnash its teeth, now the Guarantors is gone, to think of its "come back and and all will be forgiven" editorial only a few short weeks ago.—*Intelligencer*.

Insurance Radiator (at last accounts of Kansas City) for March skins the Hartford Life Ins. Co. alive because it has been skinning beneficiaries—"bullying, threatening and lying to them."

Editor Ira Stewart McNeil, of *Insurance News*, of Boston, died suddenly last month, at the age of 28. He got out an interesting paper. Ex-commissioner Merrill, associate editor, is in charge.

Come to think of it, the stationary *Post* has not attempted to answer the December *Coast Review's* demonstration of the superiority of San Francisco to Chicago as an insurance center. This *Post* was put into a deep hole.

Obedying the biblical injunction, to "answer a fool according to his folly," we answered Col. Alson Old. But he is not satisfied. The colonel writes from Blarney Stone post-office, and complains that the amiable *Coast Review* has said nothing.

The editor of our Montreal contemporary should read English history. He will find there an "incredible" fact, in the account of the "War of Jenkins' Ear." England went to war with Spain because a Spanish officer playfully cut off an English captain's ear. Jenkins appeared before parliament, with the severed ear in alcohol. Our contemporary thinks it incredible that we should go to war because a Spaniard blew up the Maine.

Flash Lights, Vol. 1, No. 2. This is the novel title of a new insurance journal, published at Atlanta, Ga., by a company, with F. B. Brantly as managing editor. The happy, confident undertakers feel that they can fill the long felt want of the South for an insurance journal. The number before us is a creditable production; but the new paper would have more flash if it would enroll the brilliant Col. Alson Old of Blarney Stone P. O., Bourbon township, among its contributors.

Every onceinawhile we meet a familiar compilation, sometimes called a historical sketch, sometimes something else, but always purporting to be a review of Coast fire underwriting. Disguised as it may be, it is always substantially the same review, laboriously compiled, which first appeared in *The Coast Review* a number of years ago. It does frequent service as an exhibition of enterprise, for some writer or journalist, and meets with well deserved praise from our loving contemporaries in the East.

B. F. Hughes has undertaken to conduct the *Insurance Register* for the benefit of the estate of the late Henry Worthington Smith.

The bursted Bay State Beneficiary had a running ad in the *Spectator* up to the day of its dissolution. The *S.* has been advertising the Mutual Reserve Fund ever since it was "caved down the bank" by that libel suit. The latest issue of the *Spectator* contains the ads of the unsound National Life Association of Hartford, the failing American Legion of Honor, the old-people insuring "Old Wayne Mutual" of Indianapolis, the suspicious "Grand Fraternity" of Philadelphia, the Chicago Guaranty Fund, and the embarrassed Life Insurance Clearing Co. of St. Paul, which has been threatened with a receivership for months. The *Spectator* carried the Bankers Alliance ad up to the time of the disastrous failure of the latter. It contains and has contained many more of the like, with "puffs." And yet this kettle calls the pot black.

The Coast Review Manual.

Following are a few expressions in favor of THE COAST REVIEW Manual written us by correspondents:

"It is a great help."

"It is certainly perfection."

"Contains many suggestions of great value to local agents."

"Contains information not to be obtained from any other source."

"I could not well do without it."

"I find within its pages a vast amount of useful information."

"I have never seen any other manual that would give the local agent as much intelligent aid."

"We keep it ready at hand, referring to it often, using it as an authority."

"I keep it on my desk for reference."

"It is the best instruction book for agents."

"I note many items of advantage to me, and for which I have looked in vain elsewhere."

"The best book of the kind published."

"It is just what we agents need."

"Explanations are clear and concise."

"It is easily understood."

"Most complete, concise and clearly written book of the kind I have ever seen."

J. G. LAVERY,

Professional Accountant
and
Fire Loss Adjuster ❀❀

TEL. BLACK 1391

ROOM 43
NEVADA BLOCK, S. F.

H. L. PALMER, Pres't.
J. W. SKINNER, Sec'y

THE

ORGANIZED 1857.

NORTHWESTERN MUTUAL LIFE INS. CO.

PURELY MUTUAL AND TRANSACTS BUSINESS ONLY IN THE UNITED STATES.

LOW
MORTALITY.

ECONOMICAL
MANAGEMENT.

STATEMENT JANUARY 1st, 1898.	
Assets.....	\$103,375,536
Liabilities.....	80,885,093
Accumulations held to meet Tontine Policy contracts..	\$ 16,310,434
General Surplus	6,180,009
Income during 1897.....	\$ 20,020,162
Insurance Written during 1897.....	\$ 61,187,593
Insurance Gained during 1897.....	28,913,541
Insurance in Force	413,081,370

BEST RESULTS TO POLICY-HOLDERS.

Business accepted only from regular Agents of the Company.

For further information, or an Agency, address:
WILLARD MERRILL, Vice Pres't and Sup't of Agencies, Home Office, Milwaukee, Wis.

PACIFIC COAST GENERAL AGENTS:

FOR CALIFORNIA,
CLARENCE M. SMITH,
112 Phelan Bldg., S. F.

FOR OREGON,
S. T. LOCKWOOD & SON,
PORTLAND.

FOR WASHINGTON,
JOHN L. COLE,
SEATTLE.

ORGANIZED 1880

The Bankers Life Association

OF ST. PAUL, MINN.

Statement January 1st, 1898.

ASSETS.

United States Registered Bonds (Market Value)	\$649,600 00
Guaranty Notes not yet due on policies in force	71,982 84
Loans Secured by Collateral	40,000 00
Cash in Merchants National Bank, St. Paul	47,875 01
Cash in National German American Bank, St. Paul	37,021 43
Cash in First National Bank, St. Paul	16,352 70
Special Deposit in St. Louis National Bank, St. Louis, Mo.	1,000 00
Cash in Office	119 95
Accrued Interest not yet due	1,848 75
TOTAL ASSETS	\$865,800 68
Death Losses Due and Unpaid	NONE.
Cost, the Lowest Consistent with Absolute Security.	

ASSETS.

31st December, 1890, were	\$271,436 28
31st " 1891, "	356,821 97
31st " 1892, "	529,138 99
31st " 1893, "	567,942 63
31st " 1894, "	619,751 52
31st " 1895, "	672,073 01
31st " 1896, "	766,641 43
31st " 1897, "	865,800 68

NOTE.—This is a strong financial showing, and places the BANKERS LIFE above the largest Natural Premium Companies in the country on the basis of **ASSETS TO AMOUNT AT RISK.**

CLARENCE E. SECOR, Manager.

FINANCIAL STANDING, JAN. 1, 1898,
OF THE

Philadelphia Underwriters

COMPOSED OF THE

Insurance Co. of North America

FOUNDED, A. D. 1792

CASH CAPITAL	\$ 3,000,000 00
Total Assets	10,057,221 00
Total Liabilities, except Capital	4,454,624 00
Surplus as to Policyholders	\$5,602,597 00

Fire Association of Philadelphia

FOUNDED, A. D. 1817

CASH CAPITAL	\$ 500,000 00
Total Assets	6,239,335 00
Total Liabilities, except Capital	4,427,887 00
Surplus as to Policyholders	\$1,811,947 00

COMBINED ASSETS, - - - -	\$16,296,556 00
SURPLUS TO POLICYHOLDERS, -	\$ 7,414,544 00

WESTERN AND PACIFIC COAST DEPARTMENT

CHICAGO, ILLINOIS

W. H. CUNNINGHAM, Manager

HENRY W. BUSH, } Ass't Managers
J. M. BECK, }

GEO. E. FAW, State Agent for California, Arizona, Nevada and the Hawaiian Islands.

JOHN D. RICHARDS, Manager City Department,

219 SANSOME STREET, - - - - - SAN FRANCISCO.

F. J. ALEX. MAYER, State Agent for Oregon and Washington, PORTLAND, Ore.

F. M. AVERY, Special Agent for Montana, Utah and Idaho, DENVER, Colo.

E. J. LOUIS, Special Agent for California, Nevada and Arizona.

OUR SAN FRANCISCO INSURANCE DIRECTORY.

Fire and Marine Insurance Agencies.			Fire and Marine Insurance Agencies.		
Phone	General Agents and Companies.	Address.	Phone	General Agents and Companies.	Address.
548	Baggs & Stovel	213 Sans.	1015	Fowler, W. H. C.	210 Sans.
	American, Boston			Austrian, Phoenix	
5107	Bailey, James D.	412 Calif.	1632	Grant, Geo. F.	221 Sans.
	Ins. Co. North America			London Assurance, London	
334	Balfour, Guthrie & Co.	316 Calif.		Northern Assurance, London	
	(A. H. Small, Manager)		71	Grant, Tom C.	212 Pine
	British & Foreign Marine			North British & Mercantile	
	Yangtze, Shanghai			Greenwich, N. Y.	
354	Belden, H. K.	313 Calif.		Graves, D. W. (Special Agent) .	302 Pine
	Hartford Fire			Continental, New York	
	N. Y. Underwriters Agency		288	Gutte & Frank	303 Calif.
272	Bertheau, Cesar	423 Calif.		Magdeburg, Germany	
	Hanover, N. Y.			Wilhelma, Germany	
	Aachen & Munich Fire			Kosmos, Hamburg, Germany	
427	Boardman & Spencer	514 Calif.		Associated Assurance Cos.,	
	Etna, Hartford			Germany	
5414	Bromwell, L. L.	410 Calif.	38	Harrison, Wm. Greer	305 Calif.
	Milwaukee Mechanics, Wis.			Thames & Mersey Marine	
1842	Brown & Son, Edward	407 Montg	666	Haven, Chas. D.	422 Calif.
	American, Phila.			Liverpool & London & Globe	
	Svea, Sweden		1184	Herold, Jr., Rudolph	415 Calif.
	Agricultural, N. Y.			Hamburg-Breuen	
684	Butler & Haldan	413 Calif.	1086	Home Mutual Ins. Co.	318 Calif.
	Phoenix, London				
	Providence-Washington, R.I.		336	Landers, William J.	205 Sans.
1466	Callingham, W. J.	420 Calif.		Imperial, London	
	Sun, London			Lion, London	
	Orient, Hartford		396	Laton, Chas. A.	439 Calif.
680	Catton, Bell & Co.	406 Calif.		Palatine, Eng.	
	Union Assurance, London			Traders, Chicago	
	Law Union & Crown		1597	Loaiza, W. & Co.	216 Sans
195	Christensen, Chas.	317 Calif.		Prussian National	
	American-Central, St. Louis.			Niagara	
	St. Paul. F. & M.		5710	Lowden, W. H.	308 Pine
5968	Davis & Son, J. B. F.	208 Sans.		Norwich Union	
	Standard Marine, Liverpool		746	Macdonald, William	315 Montg
433	Davis & Watson.	221 Sans.		London & Lancashire, Eng.	
	British America			Norwalk Fire	
	Western, Toronto			English-Am. Underwriters	
1100	Davis & Henry	215 Sans.	1034	Magill, A. E.	325 Calif.
	Victoria, N. Y.			Home, N. Y.	
	Greenwich, N. Y.			Phoenix, Hartford	
1886	Devlin, Frank J.	309 Sans.	720	Manheim, Dibbern & Co.	217 Sans.
	Atlas, London			Scottish Union & National	
689	Dickson, Robt.	501 Montg	169	Mann & Wilson.	322 Calif.
	Royal Exchange, London			Lancashire, Eng.	
822	Dornin, George D.	409 Calif.		Teutonia, New Orleans	
	National, Hartford			St. Paul (Marine)	
	Springfield, Mass.			La Fonciere Marine	
5817	Driffeld, V. C.	213 Sans.		L'Universo Marine	
	Transatlantic, Hamburg		538	Maxwell, J. D.	421 Calif.
	Hamburg Underwriters			Continental	
1991	Dutton, Wm. J.	401 Calif.	5639	Medcraft, R. C.	319 Calif.
	Ins. Co. State of Penn., Phila.			Scottish Union & National	
	Rhode Island Underwriters		649	McNear, Geo. W.	308 Sans.
	Boston Marine			Merchants, N. J.	
201	Edwards, L. B.	323 Calif.			
	American, N. J.				
	Manchester, England				
	Caledonian, Edinburgh				
1991	Fireman's Fund Ins. Co.	401 Calif.			

OUR SAN FRANCISCO INSURANCE DIRECTORY

Phone	General Agents and Companies.	Address.	Phone	General Agents and Companies.	Address.
1724	Mitchell, Geo. M. Westchester, N. Y.	210 Sans.		Finnegan, John E. Travelers, Hartford	Mills Blg
1554	Mullins, C. F. Commercial Union, Eng. Commercial Union, N. Y. Alliance, London	416 Calif.	1376	Forbes & Son, A. B. Mutual Life, N. Y.	Mutual Life Blg
1015	Okell, Donnell & Co. General, Trieste	401 Calif.	699	Garniss, Jas. R. American Surety, N. Y.	219 Sans.
5562	Pope, T. Edward Pennsylvania Union, Phila.	436 Calif.	1384	Godwin, Thos. Preferred Accident, N. Y.	Mills Blg
5136	Potter, Ed. E. Franklin, Phila. Williamsburg City, N. Y.	508 Calif.	766	Harmon, Jr., A. K. P. Connecticut Mutual Life, Hartford	Mills Blg
5024	Shankland, T. C. Fire Association, Phila.	219 Sans.	Red 2331	Houghton, H. B. Ætna Life (& accident) Conn.	Safe De- posit Blg
5976	Smith, B. J. Connecticut, Hartford	501 Montg	1684	Jacobs, W. A. Germania Life	Mills Blg
Green 621	Speyer, Walter North German, Germany Hamburg Underwriters	225 Sans.	5296	Kilgarif & Beaver Pacific Mutual Life	508 Montg
5810	Syz & Co. Helvetia Swiss Baloise, Switzerland Swiss Marine Combined	301 Calif.	Brown 233	Landers, John Manhattan Life, N. Y.	240 Montg
1990	Tannhauser & Co. Transatlantic Marine	311 Calif.	Blk 2311	Leavitt, W. C. Union Mutual Life, Me.	419 Calif.
321	Thomas, W. P. New Zealand, Auckland	312 Calif.	1507	Loaiza, W. & Co. Union Casualty & Surety Co.	216 Sans.
5359	Tyson, Geo. H. German-American, N. Y. United States, N. Y. German Alliance, N. Y.	435 Calif.	1696	McLane, Chas. New York Life, N. Y.	Mills Blg
1666	Turner, Geo. W. Northwestern National	412 Montg	169	Mann & Wilson Hartford Steam Boiler Metropolitan Plate Glass	322 Calif.
5577	Voss, Conrad & Co. Thuringia, Germany Frankfort Marine Bavarian Lloyd Marine	204 Sans.	538	Maxwell, J. D. New York Plate Glass U. S. Casualty	421 Calif.
113	Watt, Rolla V. Royal, Liverpool Queen, N. Y.	Royal Ins. Bldg.	5921	Munsell, Jr., Jas. Mutual Benefit Life, N. J.	415 Montg
			5393	North, Geo. L. Provident Savings, N. Y.	Spreckels Bldg

San Francisco Life, Accident and Miscellaneous Agencies.

Phone	General Agents and Companies.	Address.	Phone	General Agents and Companies.	Address.
329	Borland, James H. National Surety Co.	Spreckels Bldg	750	Pacific Mutual Life, S. F.	508 Montg
5017	Briggs, Clarence F. Standard Life and Accident	307 Calif.	621	Pacific Surety Co., S. F.	308 Sans.
195	Christensen, Chas. Lloyds Plate Glass, N. Y.	317 Calif.	699	Pardee, S. C. Fidelity & Casualty, N. Y.	Mutual Life Blg
5683	Day, James B. Washington Life	Safe De- posit Blg	Green 31	Parker, C. M. T. Massachusetts Mutual Life	214 Pine
902	Delger & McCargar Bankers Life Association.	Spreckels Bldg	5011	Pratt, G. C. Union Central Life, Cincinnati	405 Montg
1979	Donnell, A. C. Guarantors Finance Co.	401 Calif.	970	Shields, A. M. Equitable Life	Crock'r Blg
5244	Dunphy, W. H. Home Life, N. Y.	Parrott Bldg	5161	Smith, Clarence M. Northwest'n Mut., Milwaukee	Phelan Blg
1703	Field, H. K. New England Mutual Life	Mills Blg	1739	Stolp, G. M. National Life, Vi.	Crock'r Blg
			5577	Voss, Conrad & Co. Frankfort Acci. & Plate Glass	204 Sans.

Our Directory of Pacific Coast

Field Men.

Attached Field Men.

AACHEN & MUNICH.

A. W. Thornton, San Francisco.
Alfred R. Grim, San Francisco.
Wm. B. Streeter, Portland, Or.

ATLAS ASSURANCE.

W. W. Alverson, San Francisco.
C. E. Schlingheyde, Los Angeles.
William Manning, Denver, Col.

ETNA.

Ed. C. Morrison, San Francisco.
Louis Mel, San Francisco.
W. L. Gazzam, Seattle, Wash.
T. D. Boardman, Seattle, Wash.

BAGGS & STOVEL AGENCY.

C. W. Smith, San Francisco.

BRITISH AMERICA AND WESTERN.

H. W. Fores, San Francisco.
W. L. W. Miller, Denver, Colorado.
A. A. Crandall, Portland, Oregon.
H. J. Schaeffer, Spokane, Wash.
R. H. Magill, Oakland, California.

EDW. BROWN & SON, GEN'L AG'TS.

Wm. H. Hill, San Francisco.
E. J. Lowrey, San Francisco.
H. H. Brown, San Francisco.
N. B. Whitley, Seattle, Wash.
W. H. Gibbons, Salt Lake City, Utah.

BUTLER & HALDAN AGENCY.

B. C. Dick, San Francisco.
B. B. Broomell, Tacoma.

CONTINENTAL.

D. W. Graves, San Francisco.
Walter J. Wilson, Portland, Or.
C. R. Tuttle, Denver, Colorado.
A. A. Maloney, Los Angeles.

COMMERC'L UNION AND ALLIANCE.

W. R. Heath, San Francisco.
A. T. Von Etling, Portland, Or.
E. J. Jolly, Salt Lake City, Utah.
W. A. Jackson, Los Angeles, Cal.

CONNECTICUT.

Guy Francis, San Francisco.
E. J. Sharpley, Los Angeles, Cal.
James S. Reed, Portland, Or.

CHAS. CHRISTENSEN'S AGENCY.

James C. Cunningham, Spokane.
Ernest C. Johnson, Los Angeles.
S. B. Morse, Portland, Oregon.

L. B. EDWARDS, MANAGER.

R. De Lappe, San Francisco.
H. McD. Spencer, San Francisco.
Dixwell Hewitt, Portland, Or.

FIREMAN'S FUND.

R. D. Hunter, San Francisco.
Wm. Klinger, San Francisco.
L. M. Seaton, Los Angeles, Cal.
F. H. McElhone, Dallas, Texas.
J. V. Spears, Dallas, Texas.
F. G. White, Denver, Colorado.
A. C. Thornton, Portland, Oregon.
R. P. Fabj, Sherlock Bldg., Port., Or.
G. H. Mendell, Jr., Salt Lake.

FIRE ASSOCIATION PHILADELPHIA.

T. C. Shankland, San Francisco.
F. M. Avery, Denver, Colorado.
F. J. Alex. Mayer, Portland, Or.
E. J. Louis, Los Angeles, Cal.

GERMAN-AMERICAN.

W. F. Chipman, San Francisco.
Harry Benner, San Francisco.
T. H. Williams, San Francisco.
Chas. R. Thompson, Portland, Or.
D. C. Donaldson, Los Angeles, Cal.

HAMBURG-BREMEN.

Harry C. Boyd, San Francisco.

HARTFORD.

J. J. Agard, San Francisco.
John M. Holmes, San Francisco.
Geo. W. Conroy, San Francisco.
Thomas J. Conroy, Portland, Or.
J. J. Dennis, Salt Lake City.

HOME MUTUAL.

W. B. Westlake, San Francisco.
E. E. Eitel, San Francisco.
R. P. Fabj, Portland, Oregon.
A. W. Whitmer, Portland, Or.
E. G. White, Denver, Colo.
Chas. C. Echlin, San Francisco.
C. P. Lyndall, Los Angeles.

HOME AND PHOENIX.

Harry L. Roff, San Francisco.
A. G. Ridling, San Francisco.
Junius Young, Salt Lake City.
A. F. Gartner, Portland, Oregon.
Maj. W. H. Bonsall, Los Angeles.

IMPERIAL AND LION.

W. A. Matthews, San Francisco.
W. B. Foster, San Francisco.
W. H. Raymond, Portland, Or.
Toll Thompson, Portland, Or.

INS. CO. OF NORTH AMERICA.

J. K. Hamilton, San Francisco.
C. O. Scott, San Francisco.
M. H. Merrill, Portland, Oregon.
A. E. Bailey, Seattle, Wash.

LANCASHIRE.

Walter M. Speyer, San Francisco.
D. W. Pierce, Los Angeles, Cal.
F. M. Branch, Portland, Oregon.

LIVERPOOL & LONDON & GLOBE.

R. G. Brush, San Francisco.
Edw. G. Sprowl, Tacoma, Wash.
John W. Gunn, Salem, Oregon.

LONDON & LANCASHIRE.

W. B. Hopkins, San Francisco.
Burns Macdonald, San Francisco.
J. K. Urnston, Los Angeles, Cal.
Sam. B. Stoy, Cham. Com., Port., Or.
W. S. Berdan, Jr., Cham. Com., Port.

LONDON AND NORTHERN.

Frank L. Hunter, San Francisco.
F. C. H. Robins, San Francisco.

MAGDEBURG.

Leslie Bates, San Francisco.

MERCHANTS, N. J.

R. M. Buckman, San Francisco.

MILWAUKEE, MECHANICS.

C. H. Ward, San Francisco.
Gilbert E. Overton, Los Angeles.
G. Alston Hole, Seattle.

NATIONAL AND SPRINGFIELD.

Leslie H. Lord, San Francisco.
J. N. Waters, San Francisco.
Hiram H. Lee, Denver, Colorado.
John C. Dornin, Tacoma, Wash.
P. E. Gerald, Portland, Or.

NEW ZEALAND.

F. L. Culin, San Francisco.
Frank E. Walsh, Los Angeles.
H. E. Parkhurst, Portland, Or.

NIAGARA.

Frank N. Rust, San Francisco.

NORTH BRITISH & MERCANTILE.

Wm. H. Bagley, San Francisco.
Edward Niles, San Francisco.
E. L. Thompson, San Francisco.

NORTH GERMAN.

J. H. Ankele, San Francisco.

NORWICH UNION.

J. L. Fuller, San Francisco.
R. H. Delafeld, San Francisco.
F. C. Stanford, San Francisco.
A. W. Giesy, Salem, Oregon.

PALATINE.

Thomas J. Duffy, San Francisco.
Henry T. Fennel, Los Angeles.
Edward O. Hughes, Denver, Colo.
F. J. H. Manning, Portland, Or.
Henry C. Rodgers, San Francisco.

PENNSYLVANIA FIRE.

Homer A. Craig, San Francisco.
Chester Deering, San Francisco.
Volney Howard, San Francisco.
Paul C. Bates, San Francisco.
R. W. Osborn, San Francisco.
J. H. Clinkscales, Los Angeles.

PHILADELPHIA UNDERWRITERS.

Geo. E. Faw, San Francisco.
F. M. Avery, Denver, Col.
F. J. Alex. Mayer, Portland, Or.
E. J. Louis, Los Angeles, Cal.

PRUSSIAN NATIONAL.

John A. Prinsen, San Francisco.
EDWARD E. POTTER, MANAGER.
T. M. Swyney, San Francisco.
Charles A. Layng.

ROYAL AND QUEEN.

John T. Fogarty, San Francisco.
J. N. Reynolds, San Francisco.
Wm. Maris, San Francisco.
F. M. Gilest, Los Angeles.
H. R. Burke, Portland, Oregon.
J. O. Thomas, Portland, Oregon.

ROYAL EXCHANGE ASSURANCE.

H. C. Ramsay, San Francisco.
John J. Clayton, San Francisco.
J. E. Hendry, San Francisco.
R. M. Thomson, Los Angeles, Cal.

SCOTTISH UNION & NATIONAL.

T. J. A. Tiedemann, Portland, Or.
Fred. Stover, Los Angeles, Cal.
Chas. F. Wilson, Denver, Col.
W. J. Pascoe, San Francisco, Cal.

SUN AND ORIENT.

Leslie A. Wright, San Francisco.
J. H. Morrow, San Francisco.
J. B. Walden, Jr., San Francisco.
Warren Campbell, Los Angeles, Cal.
W. H. Street, Portland, Oregon.
A. R. D. Paterson, Portland, Or.

SYZ & CO.

A. Herman, San Francisco.

THURINGIA.

R. B. Friend, San Francisco.
E. L. Bosqui, San Francisco.
C. G. Yates, Los Angeles, Cal.
L. F. Lamping, Seattle, Wash.
W. C. Cree, Denver.

TRANSATLANTIC.

Tom R. Roberts, San Francisco.

UNION ASSURANCE.

Harry H. Smith, San Francisco.
Edwin B. DeGolia, San Francisco.

WESTCHESTER.

H. C. Keller, San Francisco.

Unattached Field Men.

H. M. Grant, San Francisco.
A. R. Gurrey, San Francisco.
E. P. Farnsworth, San Francisco.
R. H. Naunton, San Francisco.
J. G. Lavery, San Francisco.
Calvert Meade, San Francisco.
A. A. Andre, San Francisco.
Chas. A. Stuart, San Francisco.
Adolph Wenzelburger, San Francisco.
A. R. Gunnison, San Francisco.
John Ehrlich, San Francisco.
W. H. Faust, Los Angeles, Cal.
D. W. McIntosh, Los Angeles.
William L. Chalmers, Portland, Or.
B. D. Smalley, Seattle, Wash.

Association of Local Agents.

In England it took eight years to form two associations, those of Leeds and Manchester. We have accomplished more in one year than they did in eight; for in the United States there have been organized seventeen State associations; but the agents must persevere until every State has an association, and every agent is a member.

The object of this association is not to rob either the people or the companies, but to maintain honest business practices and uniformity in rates of commissions, to do away with overhead writing, to fight hostile legislation, and to present bills to the legislature for the benefit of the agents generally throughout the State. The hostile legislation is due many times to the dissatisfied agent, who procures the introduction of bills into the legislature so as to protect himself, as he thinks at the time, against the tyranny of the managers.

What we want to do is to get the agents interested enough so that we can establish an

uniform rate of commissions. Who is the loser by the cut in the commissions? Nobody, but the local agent. The company gets its percentage just the same. Another thing we want to prevent if possible is the making of special contracts by the companies with building and loan associations.

When once thoroughly organized in this State we can not only prevent hostile legislation, but we can investigate and show to the public the selfish reasons of parties introducing these hostile bills. Whenever a local agent is dissatisfied he will have an opportunity to bring his grievances before this body, through the grievance committee, and if his complaint be just we shall assist him in preventing any unnatural business methods being used against him by specials and managers.—R. S. Brannen.

Union companies' agents in the West, though tempted by the N. W. National, remain loyal. They see the specter of a sharp knife.

The *Interview* of March 17 is a special Mutual Reserve Fund number. The association is savagely assailed.

The.....Merchants Insurance Company

OF NEWARK, N. J.

ORGANIZED 1858

Cash Capital	\$ 400,000
Assets	1,640,415
Surplus to Policyholders	791,251

GEO. W. MCNEAR

General Agent.

WILLARD O. WAYMAN - - Manager

R. M. BUCKMAN - - Special Agent
for the Pacific Coast

Offices:—308 SANSOME STREET—San Francisco

AMERICAN INSURANCE COMPANY

OF BOSTON, MASS.

Organized 1818.

Capital,	\$300,000 00
Assets,	624,262 13
Surplus to Policyholders	451,611 81

MERCANTILE FIRE AND MARINE INS. CO.

OF BOSTON, MASS.

Organized 1823.

Capital,	\$400,000 00
Assets,	639,716 71
Surplus to Policyholders	475,182 50

BAGGS & STOVEL, General Agents,

213 Sansome Street, : San Francisco.

THE COAST REVIEW

A MONTHLY JOURNAL

Devoted to all kinds of Insurance that INSURES. Published on the Fifteenth of every Month.

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*J. G. EDWARDS, Proprietor,
Pacific Mutual Building, San Francisco.
Telephone No. 1530.*

Vol. 53.

MARCH, 1898.

No. 3.

L A W.

Our Digest of Recent Insurance Decisions. Fire.

Mortgage Clause.

Policy contained a stipulation that loss if any was payable to appellee as his interest might appear. Also provided that policy should be void if, with the knowledge of insured, foreclosure proceedings were begun by virtue of any mortgage or deed of trust. When policy was issued there was a mortgage on insured property, given by B. to C., which was known to the insurer. The insurer also knew that the notes, of which the mortgage was security, would mature during the life of the policy. A few days before the fire C. sued B. on the notes to foreclose the mortgage, of which proceedings B. had notice before the fire. The insurer was ignorant of foreclosure proceedings until after the fire. The question at issue was whether the foreclosure proceedings under the facts avoided the policy. Held, The insured must show that said clause was waived by the insurer, or that the latter is estopped from pleading the same. The knowledge that the notes would mature before the termination of the policy does not affect the mortgage clause, and cannot be construed to be a waiver of same. The weight of authority

is to the effect that knowledge of insurance companies of existence of mortgage will not prevent a forfeiture where there is a breach of such clause. Judgment of court below reversed. *Hartford Fire v. Clayton, Tex. C. C. A.*

Cancellation.

Agent of defendant in error wrote as follows to secretary of plaintiff in error:

"The Home Insurance Co. of New York is withdrawing from Lampasas, Texas; and you have policy No. 292, for \$2,000, upon the Park Hotel, signed by me on August 16th, 1894, running for one year. Now, I enclose you herewith my draft upon the company in your favor for \$45.38, the return premium due you under the policy up to January 22, 1895, which you will please attach to the policy after filling in and signing the cancellation receipt on back of policy for the amount, and forward same to the company for collection, direct. I have issued another policy in a different company for \$2,000, and will hold same till it is approved by the company, and will then send same to you."

This secretary was himself in the insurance business. He received above letter and draft a day or two after its date, but he did not forward the draft for collection nor make any reply. The letter was written January 25. The fire occurred on the 10th of the following February. Secretary Weems stated that the letter went on to say that the writer had

written another policy in lieu of this one, which he would hold until approved by the company, and then send it to witness: that this left witness in doubt as to the amount of insurance the company held on the building, and the amount necessary for him to procure; and that he, after receiving Young's letter, endeavored, through agents at Houston, or possibly elsewhere, to place insurance on the property. Held, That the above testimony would warrant the conclusion that Weems regarded the policy as canceled. If he did not regard it as canceled, or if he was not satisfied with the form in which the unearned premium was sent him (being an insurance agent himself, and presumably aware of what was a proper tender to effect a cancellation), why was it that the letter of Agent Young left him in doubt as to the amount of insurance he held on the property? And why should he go in quest of other insurance after receiving the letter? We will assume that sending a draft was not such a payment or tender of the unearned premium as the insured was entitled to have made to it: still, it should be deemed sufficient when it appears that the insured treated it as having the effect of canceling the policy, which involves the fact that he was content with the mode of payment: and particularly should this be so when the person to whom the payment is tendered is in a position that makes him familiar with what is essential to effect a cancellation. *Lampasas H. & P. Co. v. Home, Tex. C. C. A.*

Life.

Paid-up Insurance.

Policy provided that "after three full annual payments have been made upon the policy, the company will, upon the legal surrender thereof before default in the payment of any premiums, or within six months thereafter, issue a non-participating policy for paid-up insurance, payable as herein provided, for the proportion of the amount of this policy which the number of full years' premiums paid bears to the total number required." The

insured defaulted in payment of premium, and no offer was made to surrender the policy before such default, nor within six months next thereafter. Company claimed that the insured had forfeited all right to the paid-up insurance. Held, That time is not of the essence of the contract, and insured does not lose his right to paid-up policy by failure to demand it, or to surrender original policy, within six months after default. *Mutual Life v. Jarboe, Ky. C. of A.*

Illness before Contract is Closed.

The intentional omission by applicant for life insurance to disclose to company every fact material to risk (especially fact of a sudden and dangerous illness) which comes to his knowledge at any time before the contract is finally closed, even though subsequent to his original representations and medical examination, is a fraud which vitiates the contract. *Equitable v. McElroy, U. S. C. C. A.*

Law of the State.

Where an application to a New York company is made in another State, where also the advance premium is to be paid to agent of company to be forwarded to it under an agreement that insurance is not to take effect unless premium is accepted and risk approved in New York, and by terms of the policy issued all premiums and policy itself are payable in New York, and proof of death is there to be made, the policy is a New York contract, and the rights of the parties thereunder are governed by the statutes of New York, there being no statute in the other State affecting the rights of the parties. *Equitable v. Trimble, U. S. C. C. A.*

Note for Premium.

One T. J. Logan signed an application and gave his note for the premium. Policy was sent to bank, with instructions to deliver on payment of accompanying note. L. refused to pay the note, and it was returned, with policy, to the general agent. He hypothecated it at bank, to secure advances. Several months later L. died. The note was presented (pre-

sumably by the bank) and proved as a charge against the estate of deceased. The administrator sued for the amount of insurance, and obtained judgment in the lower court.

The U. S. circuit court of appeals reverses this decision on the ground of errors in the admission of evidence. Held, That it is well settled by weight of authority that an agent of a life insurance company, who is intrusted with the business of closing the contract by delivering policy, has an implied authority to determine how the premium then due shall be paid, whether in cash, or, as is sometimes done, by giving credit, in which case the agent becomes the creditor of the insured and the debtor of the insurer. In that event, though the agent should subsequently default and the premium never reach the company, the policy would still be binding. While the rule itself is well settled, still an agent must have the authority, either actual or apparent, to take notes in payment of premiums, or the course of business of the company must be such as to warrant an implication of authority.

Good Health Defined.

The term "in good health" is comparative. It does not mean in perfect health, nor would it depend upon ailments slight and not serious in their natural consequences. In construing this term in a life policy, regard must be had to the character of the risk assumed. Looking at it from this point of view, a person is in good health unless affected with a substantial attack of illness, threatening his life, or with a malady which had some bearing on the general health; not a slight illness or a temporary derangement of the functions of some organ. *Manhattan v. Carder*, U. S. C. C.

Employers' Liability.

Death of Employee Without Heirs.

Policy issued to an employer stipulated for payment of specified sums to policyholder "as trustee for the benefit of any workman injured, and, in case of his death, his legal representatives," the sum to be paid in latter event being one year's current wages of deceased workman. Policy further provided that no person except such employer should

have against the insurance company any action or claim, but contained nothing indicating any intention by parties to the contract to an escheat to the State in case of death of an employe without heirs. Held, That such employer, suing as such trustee, could not maintain an action upon such policy for the year's wages of a deceased workman without alleging that the latter in fact had a legal representative or representatives, and setting forth his name or their names. *Am. Empl. Lia. v. Sloss Co.*, Ga. S. C.

The President's Address.

EXTRACTS FROM PRES. OSBORN'S ADDRESS AT THE TWENTY-SECOND ANNUAL MEETING OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE PACIFIC.

It is a pleasure to note the return of prosperity, for we are now at the dawn of a new era. Prices have advanced and values generally have arisen, save possibly real estate in the country. There has been an enormous reduction of mortgage debt, and the industrial classes are in better condition to-day than they have been for ten years. The insurance business is among the first to respond to these conditions, and the annual statements of the companies clearly demonstrate that the new era is no sham.

* * * * *

Any rating or administrative board cannot help being benefited by the results of these discussions and deliberations, coming as they do from so many who are actively in the field and constantly meeting the practical issues. Anything said or discussed at these meetings is of the greatest practical benefit to any man in the business, and if so for the individual, is equally so for a number of them together. It is the unwilling spirit of progress that is far more dangerous than admitted opposition.

* * * * *

It has often occurred to me that we could exert a still greater educational influence among the younger members by having the secretary print and distribute once a month, through the executive committee, various problems in adjustment, and then similarly print and distribute the answers. This would in my opinion not only prove of inestimable advantage to all concerned, but would serve to foster and maintain interest in the association during the year.

* * * * *

There appears to be a tendency, in a limited

way, to enter men on the road who are quite unfitted for it; who possess little of the knowledge necessary for the proper road work, and whose main charm is in the power to procure premiums. This latter is an admirable and almost necessary trait, but if unaccompanied by the higher qualifications it is a dangerous thing. The successful solicitor rarely combines those qualities of judgment, discretion and discrimination that are necessary for a correct underwriter, and for the simple reason that he who solicits is imbued with the one thought and purpose—getting the risk. He is essentially a solicitor, and this has a tendency to deteriorate the standard of our special agents who are in themselves underwriters. I must not be understood as finding fault with a system which appears to meet with measurable favor, but desire to point out as the result of such road work what the companies ultimately will inherit. From my own observation in this respect am convinced that the company who makes the solicitor the inspector and special envoy of the office will, in course of time, reap a harvest that will tell in the loss ratio. On the other hand, I must not be construed as favoring the kid glove knight of the road whose only mission appears to be in the direction of a well dressed gentleman and an affable special. To every man who studies the business and surrenders his fullest capacity in the discharge of his duties, it becomes evident that the time of a competent special on the road is fully employed by giving personal attention to the character of the risks assumed by his company, instructing the agent, and to such other collateral details as may affect either the policy or the results of the company's plant.

* * * * *

The recent action of the Board in annulling the charge for the use of gasoline suggests a theme for profitable discussion. This appears to be an age in which fertility of resource is no unimportant factor. The shrewd thinker sets about to create simple inventions for the dear public's sake, and the insurance business is the first to suffer from any of the imperfections of these new ideas. Any of the products of petroleum are more or less dangerous, but there seems to be a tendency to place these several products upon the market so as to be both dangerous to property and life. There are to-day being used by households quite inferior grades of both kerosene and gasoline, and from the latter are being made

gases, etc., with high sounding names and equally high explosive tendencies. It would seem as though restriction should be placed around the use of these things rather than to leave them free agents in our loss account.

* * * * *

The word "corporation" has come to be an opprobrious term and indicative of all that is hideous and harmful, while in reality it is merely the unit of combined individualism. The component parts of corporations may be eminently respectable, yet the aggregate is villainous.

Our system of government may be primarily responsible for this as it affords the candidate for office an opportunity to appeal to the caprice and prejudice of the popular mind. Insurance thus falls a prey to the demands of a mobocracy far more dangerous and an inestimably greater menace to society than the combined trusts of the country.

The valued policy law is the outgrowth of a practice which is reprehensible in the extreme. Year after year policies are renewed for the "same amount," and many a client has paid an excess premium that would reach a considerable sum. This is evidently wrong, and while it is not the result of dishonesty on the part of the company, it is a rank injustice to the assured. It does tend to increase the moral hazard and considerably augments the loss ratio. Here is where the underwriter is to blame for having permitted, through the absence of a periodic inspection, an excess insurance and an incentive to arson.

* * * * *

It may be safely affirmed that we are taxed to death. No other business is subjected to such burdens, and yet the insurance business takes its medicine as though there were no efficacy in rebellion. When a company gets through paying for state, county, town and city taxes, it has contributed a greater proportion of the taxes than any other business.

The increasing unfavorable attitude of insurance commissioners in the West gives rise to necessity of protection by Federal authority, and every man in the business should exert his influence to transfer supervision from State to Nation. There can be no logical argument against it.

The present attitude will have a tendency to drive capital from this line of business and force into the field a lot of irresponsible and financially weak companies and whose existence will be designed chiefly for a few officers and a receiver.

The old Ætna Insurance Company.

In several important particulars the Ætna Insurance Company of Hartford is the leading fire insurance company of the Western Hemisphere. It leads in capital, in assets, in surplus to policyholders and in the amount of fire losses paid. The Ætna is also in the front rank as regards age, it having been organized in 1819—seventy-nine years ago.

These particulars wherein the Ætna ranks first are those which must be accepted as evidence of strength of resources, excellence of practices and confidence of the business world. Nothing that we can say would add to the testimony of the figures themselves. We venture to remind the reader, however, that the name of the Ætna is a household word in the United States and Canada, in every principal city, town or village of which the company has an agent. No sign is more familiar than that which bears a picture of Mt. Ætna and its flaming crater.

With the varied experience which this old company has had, from the time when the Nation was in its infancy, under widely different industrial and underwriting conditions, its history would make an exceedingly interesting narrative of development and achievement, sparkling with reminiscences and laden with good counsel. The span of the Ætna's great career embraces about all of real progress in modern fire underwriting.

Last year the Ætna passed the twelfth million post in assets. No other fire office in this hemisphere has twelve millions of assets, and only four or five companies in Europe have as large an amount of fire assets. This statement will give the reader a proper idea of the commanding position of the Ætna in the world of fire insurance.

The annual statement contains the following totals for the year ending December 31: Assets, \$12,089,090; reinsurance reserve, \$3,117,167; net surplus, \$4,433,719; policyholders surplus, \$8,433,719; amount at risk, \$499,799,575; net premiums, \$3,828,784.

All these figures are larger than the corresponding ones a year ago. The company has gained all along the line. It has more assets, a larger surplus, more at risk, and a larger premium income. Some \$658,000 was added to the assets, and the net surplus gained nearly \$584,000. These are immense gains, and they are chiefly to be credited to the underwriting department of the company's affairs. The losses incurred were only 48 per cent. of the premiums.

On the Pacific Coast the Ætna has always maintained a leading position. It was one of the first to establish a general agency in San Francisco, and from the beginning it has retained control of a large volume of the most desirable business. Both its resources and its record of honorable dealings with policyholders give it vantage ground in this field, and place it measurably beyond competition. Messrs. Boardman & Spencer, both old experienced underwriters, are the general agents.

During the past year the Coast premiums aggregated \$271,336, a gain of over \$21,000. During the past eight years, as shown in the *Coast Review* agency table last month, the Ætna's Coast premiums have produced a total of \$2,233,817. The losses on this large volume of business have been less than 44 per cent. of the premiums.

THE Fire Underwriters Inspection Bureau yearly prints the percentage of preventable fires. In 1883, before systematic inspection, the preventable fires were 41 per hundred. Immediately after the bureau began its work the percentage began to fall off. In 1886 it was only 23 per hundred; in 1888, 13; in 1890, 10; in 1892, 8; and during the past three years only 7. Now we should like to see the National Board organize a Fire Underwriters Legislative Bureau, to compile statistics and use all proper means to secure good legislation, and repeal and prevent bad legislation. It would be pleasant to read a percentage table showing yearly the proportion of preventable to total insurance laws, with brief sketches of the prison

life of blackmailing legislators and insurance commissioners.

Milwaukee Mechanics Insurance Company.

FAVORABLE FORTY-FIFTH ANNUAL STATEMENT—GAINS IN ASSETS AND SURPLUS.

The net surplus of the Milwaukee Mechanics is \$1,364,834, or nearly seven times the amount of its capital. Last year there was a gain of \$111,108, and there has been a large gain in net surplus every year of the past five. In the past ten years assets and net surplus have nearly doubled.

The assets of the company are now \$2,572,486, which is a gain of \$204,116 in the year. Over half the total of assets is clear surplus. The amount at risk is \$133,501,832, a gain of \$9,000,000. Losses last year were less than 41 per cent. of the \$965,544 premiums.

These figures all indicate the prosperity and strength of the Milwaukee Mechanics. The most exacting property-owner cannot ask for better security or more careful management. The company has a good record behind it, and since organization has paid over six-and-a-half million dollars losses.

The Pacific department is in charge of the well known Coast underwriter, L. L. Bromwell.

IT IS THE RULE to decide that the husband survives the wife where both die simultaneously and there is no evidence of the prior death of either. The courts assume, in a case of drowning for example, that the woman being weaker perishes first. This question has been passed upon several times lately in cases where the husband's life policy was payable to the wife if she survived him. In a recent case where husband and wife perished in a burning hotel in Denver, the court decided that the husband was the survivor and awarded the insurance money to his heirs.

AN Ohio bill prohibits reinsurance in any company not authorized to do busi-

ness in the State. Next we may expect a bill prohibiting the use within the State of any blotter or calendar not printed within the State. Populism is strong in Ohio and Louisville.

Curious Ways in Which Accidents Happen.

Here is a true account of some peculiar accidents that have recently happened. A man in Brooklyn was laid up with a bad cold. He applied turpentine to his naked chest, covering it with cotton. Upon this being removed, spontaneous combustion took place, burning him so badly that he was totally incapacitated from following his daily avocation for several weeks. A man overslept himself one morning and hurriedly got into his clothes. In his haste he trod on his boot-lace and fell down-stairs, sustaining fatal injuries. Three days later he was a dead man. Heredity had prevented him from being able to obtain any life insurance, but fortunately he carried an accident policy for a large amount. A few months ago a professional man in New York city was watching the fixing up of some tapestry in his house; a tack, or the head of one, struck him in the eye, causing serious injury. A man took his dog to the river to drown it. The animal was not prepared for its fate and made a fight for life. In the struggle that ensued both fell into ten feet of water. The man couldn't swim, but the dog could, thus becoming the sole survivor. The dog made no attempt at rescue, and under the circumstances it could hardly be expected that he should. Another dog angered his master in the hunting field, whereupon the latter banged the poor brute over the head with the butt end of his gun. This explosion of temper produced an unexpected result—it was the immediate cause of another explosion, and this in its turn brought instantaneous death to the irritable sportsman.—*Indemnity.*

The Butte, Mont., *Miner* has been sued for \$20,000 damages by J. H. Cochran for publishing a news item regarding a fire at Billings, from a special correspondent. A "bankrupt stock" of goods was burned. The alleged libelous language used was: "The bankrupt stock of goods was brought here during the summer by Cochran, who claimed to be the owner, and insured by him for \$5,000. Last week Cochran skipped town, having blown in most of the money received from the sales." *Caxton Caveat.*

The Union Marine of England has been refused a license in New York.

Seven Years' Comparative San Francisco City Premiums.

<i>Companies and Localities.</i>	1897 <i>81 Com- panies.</i>	1896 <i>70 Com- panies.</i>	1895 <i>70 Com- panies.</i>	1894 <i>81 Com- panies.</i>	1893 <i>93 Com- panies.</i>	1892 <i>103 Com- panies.</i>	1891 <i>116 Com- panies.</i>
AMERICAN.							
Firemans Fund, San Francisco . . .	\$ 60,450	\$ 49,457	\$ 73,312	\$ 66,952	\$ 71,662	\$ 72,946	\$ 72,485
Home Mutual, San Francisco . . .	17,664	16,918	21,875	21,363	23,490	35,224	36,562
Etna, Hartford . . .	33,855	23,426	37,932	47,411	53,145	51,889	55,949
Agricultural, Watertown . . .	3,646						
American, New Jersey . . .	6,242	5,587	6,514	7,804	8,685	9,232	10,221
American Central, St. Louis . . .	8,630	5,317	10,745	17,883	19,730	21,688	20,075
American, Philadelphia . . .	20,325	17,187	13,626	15,801	18,816	19,795	20,726
Connecticut, Hartford . . .	14,642	15,815	13,065	15,529	17,353	18,637	18,026
Continental, New York . . .	15,333	17,725	20,715	22,831	13,245	9,748	5,946
Commercial Union, New York . . .	1,590	884					
Fire Association, Philadelphia . . .	8,702	18,018	25,645	16,731	15,087	11,183	13,358
*Firemen, Baltimore . . .		2,167	6,335	3,126	1,860	7,715	7,228
Franklin, Philadelphia . . .	10,021	8,498	8,036	10,413	12,613	7,516	8,140
German-American, New York . . .	34,805	27,393	30,168	41,426	35,198	31,400	25,203
*Germania, New York . . .			17,179	25,621	11,402	10,584	14,616
*Glens Falls, Glens Falls, N. Y. . .				6,065	8,315	9,127	9,677
Greenwich, New York . . .	2,928	5,905	5,949	7,422	8,188	6,717	6,696
Hanover, New York . . .	20,984	18,653	22,915	39,308			
Hartford, Connecticut . . .	36,780	30,652	33,446	51,296	50,104	46,363	49,030
Home and Phoenix, N. Y. & Hartford	31,885	44,636	71,836	33,721	26,104	18,920	20,142
Ins. Co. North America, Phila . . .	12,936	14,285	13,465	14,305	18,300	17,312	19,999
Ins. Co. State of Penn., Phila. . .	2,185	2,164	2,805	2,232	3,671	6,227	6,248
Manhattan Fire, New York . . .	10,931	2,157					
Milwaukee Mechanics, Wisconsin . .	5,399	8,083	12,714	13,400			
National, Hartford . . .	12,854	13,949	18,940	20,319	22,318	16,544	17,586
Northwestern National, Milwaukee .	24,474			13,465	8,480	10,676	9,467
Norwalk, Connecticut . . .	4,106						
Orient, Hartford . . .	6,073	6,127	5,965	9,534	7,032	14,518	22,961
Pennsylvania, Philadelphia . . .	17,951	14,705	13,416	17,446	19,381	17,591	17,495
*Phoenix, Brooklyn . . .		11,773	22,514	35,339	39,660	40,266	41,794
Providence-Washington, Rhode Isl. .	5,614	5,276	5,539	5,778	4,833	6,240	10,611
Queen, New York . . .	24,788	28,865	24,497	37,423	40,915	44,488	45,871
Rhode Island Underwriters, R. I. . .	3,043	3,708	4,417	2,591	3,647	3,431	5,476
Springfield, Massachusetts . . .	11,798	9,877	17,034	16,228	16,718	28,421	33,996
St. Paul, Minnesota . . .	7,407	4,995	2,441	8,034	8,505	8,212	8,152
Traders, Illinois . . .	5,287	2,267		14,103	15,990	7,998	5,703
Teutonia, New Orleans . . .	6,280						
Union, Pennsylvania . . .	5,124	1,923		1,395	4,745	5,242	6,047
United States, New York . . .	768			6,425	5,080	3,396	3,547
Westchester, New York . . .	21,261	9,783	18,936	21,129	13,551	16,465	17,981
Williamsburg City, New York . . .	5,373	4,627	4,499	3,681	7,548	9,973	9,562
Total American Companies . . .	\$ 518,566	\$ 452,952	\$ 590,406	\$ 823,722	\$ 933,515	\$ 1,053,655	\$ 1,270,296
FOREIGN.							
Aachen & Munich, Germany . . .	\$ 41,156	\$ 43,811	\$ 35,066	\$ 38,003	\$ 22,028		
Alliance, London . . .	34,044	17,746	44,936	57,666	49,213	\$ 72,887	
Atlas, London . . .	25,900	18,751	29,287	47,190	20,467	22,123	\$ 22,409
Baloise, Switzerland . . .	5,380	4,302	4,401	10,751	10,283	4,851	4,669
British-America, Toronto . . .	11,307	6,731	6,569	11,655	10,666	11,249	15,736
Caledonian, Edinburgh . . .	15,051	15,880	20,552	24,439	23,997	21,317	23,344
Commercial Union . . .	44,934	39,543	46,955	59,404	61,824	58,349	64,848
Hamburg-Bremen . . .	53,750	42,261	58,592	62,021	60,931	59,129	60,177
Helvetia Swiss . . .	22,663	17,606	22,635	48,723	58,316	52,502	55,149
Imperial . . .	33,679	14,338	24,799	23,838	28,205	32,588	22,413
Lancashire . . .	38,397	34,225	44,479	42,222	45,584	41,681	39,050
Lion . . .	20,038	12,929	18,444	19,527	25,813	29,087	20,016
Liverpool & London & Globe . . .	52,675	41,352	49,827	95,550	99,586	85,857	84,073
London and Northern . . .	34,341	30,766	37,096	48,038	50,874	41,448	29,380
London & Lancashire . . .	84,621	85,674	92,600	125,828	131,889	134,480	129,751
Magdeburg . . .	34,499	27,662	31,667	43,206	12,238	11,181	11,052
Manchester . . .	20,476	20,102	26,157	32,447	31,863	28,411	30,332
New Zealand . . .	20,666	18,668	40,054	40,050	43,900	41,411	44,170
North British & Mercantile . . .	28,813	21,680	24,110	45,470	46,235	39,684	40,348
North German . . .	41,551	33,248	44,694	66,237	66,380	61,467	61,951
Norwich Union . . .	20,647	17,677	31,058	24,960	24,055	28,845	31,539

FOREIGN COMPANIES—CONTINUED.	1897	1896	1895	1894	1893	1892	1891
Palatine, Manchester	\$ 36,186	\$ 25,458	\$ 38,619	\$ 88,936	\$ 53,886	\$ 43,988	\$ 19,915
Phoenix, London	32,400	26,425	35,316	47,368	41,386	35,369	33,604
Prussian National, Germany	22,658	11,257	25,538	57,498	49,295	36,810	33,567
Royal, Liverpool	47,345	46,868	31,058	24,960	24,055	28,844	31,539
Royal Exchange, London	46,760	36,149	55,442	78,880	84,185	61,030	7,713
Scottish Union & National	20,273	12,932	16,605	26,742	35,978	39,269	33,807
Sun, London	25,425	22,533	31,287	41,227	43,810	35,039	38,786
Svea, Sweden	18,943	15,760	13,726	12,087	11,172	21,273	19,856
Thuringia	59,102	10,117					
Transatlantic, Hamburg	26,440	28,793	40,970	51,952	51,968	44,611	35,896
Union, London	20,070	14,470	20,650	33,437	35,884	21,031	11,602
Western, Toronto	14,298	10,648	8,759	15,540	14,332	20,013	22,487
Total Foreign Companies	\$1,054,788	\$ 826,371	\$1,053,514	\$1,495,971	\$1,502,966	\$1,394,993	\$1,211,607
Grand Total	\$1,603,354	\$1,279,323	\$1,643,920	\$2,319,693	\$2,436,481	\$2,448,648	\$2,481,903

‡Withdrawn. *Five months of 1896.

History of the Tontine Insurance System.

Many people in this country (says the Insurance Spectator of London) who are quite conversant with the principles upon which tontine insurance rests, will be unaware, nevertheless, of its ancient origin and interesting career. It was Tont, a native of Naples, who first proposed this scheme of providing annuities to his compatriot, the powerful French Minister, Cardinal Mazarin. The latter, thinking of benefiting thereby the royal exchequer, issued in 1653 a cabinet order in the name of Louis XIV., by which a company entitled Tontine Royale, was established. It contained ten classes with a revenue of £4,100 each, a total of £41,000. The subscription was fixed at £12 per member. There were ten divisions or classes, of seven years each, the first referring to members entering at birth and the last ending at seventy years' of age. At the death of a subscriber his revenue enriched the survivors of his class, until the last of them died, when the whole annuity was received by the State. This first attempt remained a dead letter, as nobody subscribed. Tont's second project was to the effect that 50,000 tickets of 24 francs each should be issued, forming a capital of 1,200,000 francs, or £48,000. Half of this sum was to be refunded in the shape of lottery prizes of various amounts, but the other half was to be spent on the construction of an iron bridge, and on a fountain in front of the Tuileries. The list was duly opened in 1656 at the Paris Hotel de Ville, but the public, realizing the nature of the transaction, kept aloof.

A period of thirty-three years elapsed before the third and first successful Tont combination made its appearance. A capital of £560,000 was collected, and the annuities

aggregating £56,000 were secured upon the Hotel de Ville. There were fourteen classes of £4,000 each, the divisions ranging, according to age, for five years, the first from birth to five, and the last from sixty-five to seventy years. The shares were £12 apiece, on which annual interest was paid, differing, however, in the various classes, and the interest or annuities of the survivors increased at the death of members of the same class; the last survivor enjoyed the combined annuities of his class, whereas the last survivor of the fourteenth class had the benefit of all annuities during the rest of his life. At his death the State became possessed of the whole capital. This plan succeeded so well, that it was several times repeated under Louis XIV. and Louis XV., the last combination dating from 1756. A royal decree of 1763 put, however, a stop to the formation of tontines. Thereupon, a financial speculator, Lafarge, seized upon the idea, and in November, 1790, presented a plan to the Constituent Assembly, for the formation of a tontine of a somewhat new type. The whole capital should be employed, in the first instance, for the benefit of the State, which was to pay a certain rate of interest, and of the money thus received the members were to receive annuities, increasing with each individual death. Mirabeau supported the project, but the Assembly, nevertheless, threw it out. Afterwards Lafarge founded a private Caisse d'epargne et de prevoyance which had the most disastrous results for all parties concerned. But tontine, as a private enterprise, was not dead. Under the Directorate, the Consulate, and the First Empire, it reappeared over and over again, although the victims were very numerous. The principal

mistake was, that the advantages held out to subscribers were based upon erroneous notions of mortality. The government at last recognized this fundamental shortcoming, and in 1809 decided to subject new tontines to special State supervision.

Marine Insurance Origins.

Writing of Admiral Wm. de la Marek, Motley the historian referred to the development of marine insurance in the sixteenth century, as follows:

"The practice of affecting marine insurances took a great and rapid extension from these and similar piracies. Renom de France MS. supposes the system to have been invented by the Antwerp merchants at this epoch. The custom, however, was doubtless established at an earlier period in Flanders, England, Italy and Spain. The statute 43 Eliz. on the subject speaks of the immemorial usage among merchants, both English and foreign, to procure insurance on ships and goods.

"The Duke of Alva, at this time, after consultation with the merchants, drew up an edict regulating contracts of assurance; stipulating that the sum insured should be less than the just and common value of the property insured, one-tenth at least remaining at the risk of the insurer [insured], and prescribing the forms for the policies. A public officer was appointed to keep register of these contracts, which, without such registration were to be invalid. Masters, pilots and sailors were not allowed to insure their wages, or anything belonging to them. Fraud on the part of the insurers or the insured was punished with death and confiscation. These contracts were, however, entirely insufficient to protect vessels, which were plundered daily by 'ce canaille de corsaires,' which infested every sea and bay."

Knows Enough to be an Insurance Commissioner.

A California assemblyman (McKelvey) "quoted from the report of the insurance commissioner" to show that the people of California pay out yearly for insurance "the sum of \$147,000,000, that the losses paid amounted to \$98,000,000, and that there remained a profit to the companies of \$49,000,000." This was some time ago, on the authority of the San Jose Herald. The Santa Cruz Sentinel copied and gravely commented as follows:

"A profit of \$49,000,000 on a disbursement of \$98,000,000 [in California!] is pretty good, considering

that insurance has to be paid in advance, the use of \$147,000,000 without interest being among the profits of the insurance companies."

This is really too good to be lost. Such a rare exhibition of concealed ignorance deserves the immortality of these pages. Think of it! a member of the California legislature and the editor of the oldest paper in a town of 10,000 or more population believed that the people of California paid yearly 147 million for fire insurance and received in return 98 million for losses, and that the remaining 49 million was profit! Debs McNall of Kansas is not "in it" with this precious pair of California ignoramuses.

There are not more than 100,000 fire policies written in California in a year. To produce the sum of premiums which McKelvey quoted would require each policyholder to pay \$1,470 premium on the average for a \$3,000 average policy. In other words, the premium rate would be about 50 cents on the dollar. And the man that seriously quoted these figures in defence of a mutual bill was a member of the legislature, and the man who accepted these figures without question and thought the difference between premiums and losses was clear profit is a representative country editor. Just how these cake-takers manage to keep dry and remain out of an asylum is a mystery.

SOMEbody says that there have been so many losses of ships with names ending in "a," that sailors fear to ship with vessels bearing such names. Looking over lists of names of "fleets" we find so many ending their names with an "a" that the "peculiar luck" need no longer excite our passing wonder. The sailor who refuses to ship with an ultimate "a" craft is likely to be often idle in San Francisco port. Here are a few specimen names: *Annapoora, Fortuna, Pomona, Columbia, Woolohara, Amelia, Ida, Sophia, Nevada, Louisiana, Palmyra, Florida, Arizona, Eureka, Geneva, Azalea*, and so on without end.

THE steamer's main shaft broke and she returned to point of loading. The necessary delay for repairs being too long, the charterers put an end to the charter and the freight was lost. The insured thereupon sued the underwriters to recover for a total loss of freight. The English House of Lords held that the claim was "consequent on loss of time," within the meaning of the exception in the time policy.

American Underwriters Protective Association.

"Potency of a Metal Sign" is the title of an article which suggests to us the feasibility of an underwriters' protective association and the potency of its trade label. It seems that there is an association of bankers for the detection and prosecution of bank burglars, forgers, check-raisers, embezzlers, sneak thieves, etc. It is called the American Bankers' Association and has 3,000 members. Many notorious criminals are serving long time in prison, through the activity and persistency of detectives and attorneys employed by the association.

Each member of the association has a small metal sign, announcing his membership. Many members, as requested, post this sign conspicuously on the bank premises. The professional bank thief knows that this sign means that a powerful company, employing the best legal and detective talent, will aid the local authorities in bringing him to justice. He is a desperate man indeed if he does not heed this warning. Certainly, if possible, he will first try his criminal skill on some bank not a member of the American Bankers Association. So thorough has been the work of the association that to-day, it is said, no professional forger or burglar will knowingly tempt fate by robbing any bank belonging to it. The members have only the amateur thief to fear.

The Coast Review ventures to suggest that a similar association of underwriters would be very useful. Let it be called The American Underwriters' Protective Association. It should be prepared to prosecute embezzlers, forgers and policy-raisers, and to protect its members from raiding insurance commissioners. After awhile—after an insurance commissioner had been impeached, or sent to the penitentiary in company with insurance embezzlers—its membership stamp, on agency commissions and on applications filed in insurance departments, would be as potent as the metal sign of the Bankers Association.

Something like the following, printed in red ink on an agent's commission and on letter-heads, and posted in the general offices, would be a powerful deterrent:

.....
 . MEMBER .
 . AMERICAN UNDERWRITERS .
 . PROTECTIVE ASSOCIATION. .

It would mean a good deal to reckless and evil-minded employes and agents. In this brief statement of membership is the specter of the penitentiary. Behind the card of membership would be power—money and the machinery of the law—relieving the individual member of expense, annoyance and responsibility.

This underwriters' "sign" would mean equally much to the dishonest legislator commissioner. It would proclaim the fact that the coveted "boodle" could not be extorted from any member of the American Underwriters Protective Association. The inflexible resolution, "One for all and all for one," maintained by the wealth and influence of all and the best legal talent at their command, would act like the metal sign in the case of the regular burglar. It would act like a charm.

The "hold-up" insurance commissioner is the product of the "spoils system" in politics. He is appointed by the governor in accordance with pledges, as a reward for personal services, performed or promised. Disgraceful but true! Honest voters are in the majority, but they have short memories and are too easily hoodwinked. They are not organized: the tricksters are. A handful of men, dominated by a "boss," control nominations and dictate appointments. The honest voters, always too partisan, ratify the politicians' work and try to persuade themselves that they have effected results. But the "machine" has done it all.

The Underwriters' Protective Association would be one of similar associations including among their objects protection from the rapacity of dishonest public officials and their makers the bosses. It

should be prepared to fight the devil with fire, if necessary. It should assume the initiative and the expenses of resisting raiding insurance commissioners. The commissioner caught in dishonesty, as in the case of one of the Dakotas, should be prosecuted by the Underwriters' Protective and sent to the penitentiary. If a State law protects the raider, then the association should have the law amended. If an elected commissioner is more amenable to the influences of decency and of the association, the appointing power should be taken from the governor.

The Underwriters' Protective should also go into politics. We all are "sovereigns" in this country, and it is the duty of every voter to be in politics—and to stay there, too, with a memory for rogues and incompetents. It is of as much importance, under American institutions, that the bad official shall be punished as that the good official shall be rewarded. So, we reason, it would be the duty of the Underwriters' Protective Association to go into and remain in politics as far as the legitimate interests and rights of underwriters and policyholders are concerned.

Lion Fire Insurance Company.

The annual meeting of the shareholders of this London fire office was held last month. The chairman presented the following figures: Gross premiums, \$1,159,000; net, \$940,925, a gain of \$35,000; assets, \$1,230,770. The reserve funds, which show a slight increase, are \$1,054,485, including the \$560,065 cash capital. Among the investments we note \$441,855 in United States government bonds.

In this country the Lion has \$926,106 assets, an increase of over \$40,000 in the year. Nearly half of this is surplus. The American premiums, \$586,501, gained \$35,000; the losses were only 52 per cent. of the premiums. The United States branch is under the management of M. Bennett, Jr., with headquarters in Hartford.

The Pacific Coast department of the Lion, which is under the management of

Wm. J. Landers, increased its premiums from \$93,366 to \$128,210, and incurred a loss ratio of only 38 per cent. This was a handsome gain and a very favorable loss experience.

Spokane Fire Department.

The fire commissioners of Spokane, Wash., ask the city council for twenty more firemen, a new steam fire engine, a new chemical engine, a new hose wagon, seven more horses, 2,600 feet of new hose and a new fire station. All this is required to place the fire department on a satisfactory footing. The president of the commission reports that the recent fire has demonstrated that the present fire protection is insufficient. Pres. Towle says: "The experience of all cities justifies the belief that in no manner can economy occasion greater losses than by an insufficient equipment of the fire department."

The Governor Fired a Bad Commissioner.

Governor Lee of South Dakota investigated charges against Insurance Commissioner Kipp, and finding that he had been abusing the authority of his office, removed him for "irregularities," and appointed Thomas H. Ayres, of Pierre, his successor. The governor says: "It will be the endeavor of this department of the government to protect the insurance companies licensed to do business in this State from any future extortion by insurance officers."

A New York paper tells of two life agents who were introduced to each other as likely "prospects." They put in an hour delicately approaching the subject of life insurance, and were much disgusted to find that a practical joke had been played on them.

One is certainly justified in withholding relief for injuries and loss in some degree covered by insurance. It is the duty of every man to protect himself from loss by fire and casualties, and to protect his family likewise and indemnify them in a goodly sum in case of death. There is plenty of room for the exercise of charity in other directions, for conditions for which insurance affords no indemnity.

Objectionable Firemen's Relief Fund Law.

New York has a law which is a disgrace to the State. It was enacted many years ago, but it is as "populistic" a measure as any which has brought several Western States into great disfavor with New York folks. The law was drawn up by politicians in the interest of "the machine." It imposes a special tax of a percentage of the premiums written by every agent of a non-resident fire office, for the pensioning of firemen disabled at fires, at saloons or at the primaries. The law discriminates in favor of home companies, which is a very bad example for a big State like New York to give sister States; but as New York companies have to pay a similar tax in many other States under a retaliatory law, it would puzzle the author of the bill to show how it favors "home enterprise." As policyholders pay this tax—the companies allowing the agents to charge it as an expense, and therefore making it a part of the rate—the law discriminates against policyholders also. It makes them pay a tax which should be borne by the entire community protected by the services of firemen. We repeat, this firemen's relief fund law is a disgrace to the Empire State; and the New York companies themselves must confess a share of the responsibility therefor, or admit the truth of the charge that they are without influence in their own State. New York also has several other discreditable laws, which more conservative Western States have refused to copy.

It is this iniquitous law which the San Francisco bosses copied in 1885. They expected to reap a large harvest of coin from its operations, for the San Francisco fire department would have been the chief beneficiary. The proceeds of the tax would have created a handsome corruption fund, for the reward and support of ward-strikers and ballot-box stuffers. Every corrupt politician supported that law—and does yet. As stated in these columns recently, the fire offices did not object to paying a fair tax for general purposes, but they objected to special legislation at their expense. There is no reason why they more than other tax-payers should support disabled firemen. With equal justice they can be specially taxed for the support of fire departments and building-law officials; and life companies can be specially taxed for the support of health departments, the flushing of sewers and the vaccination of the poor; and bankers and jewelers can with equal justice be spe-

cially taxed for the support of the police department and disabled policemen. The principle is wrong. New York should set a good example to confiscating legislators by repealing all its "populistic" laws.

The constitution of California does not permit such legislation—nor retaliatory legislation either, New York attorneys to the contrary notwithstanding. The supreme court very decidedly pronounced the borrowed firemen's corruption fund law unconstitutional. The commissioner of insurance, however, recently set himself up as a bigger man than the supreme court, and declaring the law valid demanded eleven or twelve years' back taxes amounting to over a quarter of a million dollars—a royal corruption fund for the politicians! We herewith give a brief summary of this pet measure of the San Francisco bosses:

Sec. 1. There shall be paid to the county treasurer of every county or city-and-county, for the benefit of the firemen's relief fund, by every agent of a non-resident fire insurance company, one per cent. of the premiums written by him during the year ending Sept. 1.

Sec. 3. The firemen's relief fund shall be under the exclusive control of the fire commissioners or fire department authorities of the county. No provision for counties having no fire department.

Sec. 4. The governing body is empowered to relieve by a unanimous vote any fireman from service at fires or from all service, if he be found disqualified "physically or mentally." Said retired fireman to be pensioned, according to the amount of his salary. After ten years' service, disability securing pension may be from any cause. If death occurs from any cause (excepting an unlawful or immoral act), the widow or children to be paid not exceeding \$500, or an annuity as long as the youngest child is under age 16. No provision made for members of any volunteer fire department.

Decision in full in *Coast Review*, April, 1885.

We are at a loss to explain the assumption of the superior dignity of fire insurance soliciting compared to life insurance soliciting. Yet we find in a fire office paper, named "Once-in-a-While," a contemptuous reference to life insurance solicitors, who are classed with peddlers and all modern nuisances. In assets, premiums, income and surplus the comparison between fire and life insurance companies is largely in favor of the life offices. In benefits conferred on humanity the superiority must likewise be awarded to life insurance. Men can build fire-proof buildings but they can't beget death-proof souls.

Recent Pacific Western Death Claims.

Alameda, Cal., J. P. McLean	3,000
Beaver, Utah, Daniel Beck	1,000
Beaver, U., D. Beck	1,000
Butte City, Mon., J. J. Marchand	5,000
Butte, Mon., P. A. Largey	10,000
Butte City, J. J. A. Marchand	5,000
Central City, Colo., Andrew Westland	1,000
Cheyenne, Wyo., M. G. Rennoe	1,103
Coquille, Or., J. A. Lyons	2,062
Delta, Colo., F. Cawker	1,000
Denver, S. B. Morgan	25,000
Denver, J. E. Wickersham	2,000
Denver, J. H. Koffel	3,750
Denver, G. B. Reed	10,855
Denver, B. W. Barrows	8,000
Fresno, Cal., F. W. Pope	2,000
Greeley, Colo., J. G. Benton	2,000
Helena, Mon., H. R. Buck	4,000
Los Angeles, J. O'Neil	1,645
Los Angeles, Philip Altbayer	2,590
Oakland, Cal., E. O'Neil	1,000
Oakland, R. Hartly	1,045
Ogden, C. A. Bedford	1,000
Pasadena, Cal., Ellison H. Dupuy	2,000
Palo Alto, Cal., E. K. Thoits	1,000
Portland, Wm. Masters	1,500
Portland, S. E. Mulford	3,000
Pueblo, Colo., R. Gibson	5,000
Rockvale, Colo., Mary Cole	1,000
Salt Lake City, A. L. Bradley	1,037
San Francisco, E. P. Cole	5,000
San Francisco, A. Harris	3,000
San Francisco, Wm. Kane	2,002
San Francisco, R. A. Landgrebe	1,000
San Francisco, Chris. Beatty	7,500
San Francisco, Joseph A. Casey	5,000
San Francisco, A. D. Hook	1,000
San Francisco, A. C. Stuart	2,000
San Francisco, D. R. Thomas	30,000
Santa Cruz, Cal., E. Spalsbury	2,500
San Marcus, N. M., W. L. Dalton	1,000
Seattle, D. Harms	4,733
Silver Cliff, Colo., C. H. Johnson	5,000
Vancouver, B. C., Wm. S. Queen	2,000
Victoria, B. C., Geo. N. Haynes	3,269
Virginia, Nev., Cord Otten	1,082
Wales, U., S. Jensen	1,000
Walsenburg, Colo., Sigmund Neuman	3,000
Westcliff, Colo., C. W. Grundman	1,110

—Looking over the December death claims of the New York Life we are somewhat surprised by the evidence of business transacted abroad. Note these remote and far apart towns: Tunis, Africa; Bohia, Argentina; Malacca, Java; Calcutta, India; Trebigonde,

Turkey; Melbourne, Australia; Vienna, Austria; Ujvidek, Hungary; Verviers, Belgium; Culama, Brazil; Georgetown, British Guiana; Guezalte'go, Central America; Santiago, Chile; Perigneux, France; Hornersdorf, Germany; London, England; Amsterdam, Holland; Rome, Italy; Chiclayo, Peru; Ashabad, Russia; Honolulu, Hawaii; Barcelona, Spain; Belgrade, Servia; Sofia, Bulgaria; Constantinople, Turkey; Galstrom, Sweden; Melo, Uruguay; Caracas, Venezuela; Trinidad, Cuba. It is plain that here is a world-wide company, indeed. The largest policy paid by the New York Life in December was on the life of Chas. E. M. Sorlinee, Paris, France, for \$65,651.88. Thirty claims were paid on the lives of persons insured less than a year; seven claims were on lives of women. During 1897 \$9,747,452 was paid on the lives of 2,694 policyholders. The profits to the families, over premiums paid, was \$4,615,246, a return of nearly \$190 for every hundred dollars received by the company.

Fire Lloyds Recently Vanished.

Assurance Lloyds, Commercial Lloyds, Knickerbocker Lloyds, Mercantile & Guarantee Fire, New York & Mass. Lloyds, S. Am. Union Underwriters, United Cities, all of New York city.

Responsibility of the Daily Press.

The temporary success of many fraudulent insurance enterprises is due not less to the laws authorizing them than to the daily newspapers which "puff" them at so much per line in type and appearance not differing from editorial utterances. Every California insurance humbug, dead and forgotten, was endorsed by the daily papers of the State. The proprietors of these papers, however, in thus lending themselves to deceit, are not more guilty than the representative business men and clergymen who allow their names to be used as references or as endorsers of scheme or managers. Both are responsible for a great deal of harm—for a great many unpaid death claims.

—Every once in a while we are asked to contribute to the relief of the destitute family of some son-of-a-gun who was too mean to insure his life. Surely, the insured man may be excused from making the contribution. He has already made the right sort of contribution when he paid his premium. And, on the theory of like begets like—the wife too being selfishly indifferent to life insurance probably

—the offspring of such a man will doubtless in their turn be equally indifferent, and will trust to charitable people to look after their own families. Viewed from the point of view of the philosopher we should better leave such people to go to, and diminish their kind; but unphilosophic humanity, none too cheerfully though, urges the claims of charity and by a narrow margin keeps these victims of selfishness out of the alms-house.

Illustrating the Folly of Trusting the Endorsement of "Representative Men."

We made a "rich find" the other day, while looking through our scrap-book. Two circulars issued by the Bankers Alliance of Los Angeles, a couple of years ago, dropped out, and the staring line "Chamber of Commerce Compliment" at once attracted attention. These circulars were issued in reply to *Coast Review* warnings as to the condition and doom of the association. Here is the heading of one of the circulars:

CHAMBER OF COMMERCE COMPLIMENT!

The Bankers Alliance of California strongly endorsed by the Chamber of Commerce members and many of the most successful and conservative business men of Los Angeles.

Then follows a preamble, saying that "We, the undersigned, members of the Chamber of Commerce, and policyholders of the Bankers Alliance of California," etc., endorsing the managers, and declaring that "we have no hesitancy in recommending the 'Alliance' to all insurers who wish a reasonable rate coupled with security." Now what did these men know about a "reasonable rate" for life insurance? What right had they to lend their names to an experiment, a humbug, and thus mislead people? Now that the wildcat venture which they endorsed is dead, we may believe that they are heartily ashamed of their folly. But we are not going to spare them. Here are the names of the "successful and conservative" members of the Chamber of Commerce who endorsed the cheapness and security of the bursted Bankers Alliance:

THEY ENDORSED A HUMBUG.

W. C. Patterson, pres. Ch. Com.; H. J. Woolcott, pres. State L. & T. Bank; H. J. Fleishman,

cashier Farmers & Merchants Bank; M. W. Stimson, pres. Union Bank of Savings; W. D. Woolwine, cashier Savings Bk. of So. Cal.; J. W. A. Off, cashier State L. & T. Bk.; J. V. Wachtel, cashier Main St. Sav. Bank; H. Z. Osborne, pres. *Evening Express* Co.; H. G. Otis, editor *Daily Times*; Fred H. Teal, R. L. Craig, J. M. Hale, W. F. Bosbyshell, E. E. Barden, F. M. Wood, D. P. Hatch, A. G. Bartlett, J. Q. Tufts, C. V. Baldwin, A. B. Cass, E. A. Stewart, J. Mills Davies, R. L. Garret, Chas. B. Pironi, J. B. Brown, A. C. Billeke, J. M. White, F. L. Baker, D. E. Merriam, E. K. Foster, R. Y. McBride, M. C. Neuner, Theo. A. Eisen, C. C. Desmond, M. D. Johnson, A. C. Jones, H. D. Godfrey, H. Siegle, H. Jevne, N. Lindenfield, Stephen C. Hubbell, W. S. Allen, Thomas L. Winder, E. R. Smith, F. T. Bicknell, Z. L. Parmelee, C. A. Sumner, J. H. Bradbeer, C. J. Nimmer, G. A. Hough, B. T. Gardner, Geo. Sinsabangh, Dr. J. H. Utley, E. R. Brainerd, M. C. Adler, L. W. Blinn.

And there are others. Ex. Gov. Markham said his confidence was strong and predicted "permanent prosperity." Lieut.-Gov. Jeter said, "The economy of the plan is self evident, and the permanency of the company need not be questioned." Sixty-two other names of citizens of Los Angeles, bank officials, merchants, professional men, members of the association, are printed as signers of an endorsement of the association and its management, "recommending the company to all who feel the need of reliable, cheap life and accident insurance." Cashier Coe of the Los Angeles National Bank heads the list and J. N. Preston, architect, tails it. Only one insurance man's name appears—Geo. D. Betts, real estate and insurance.

The "undersigned citizens of Los Angeles," members, "personally acquainted or knowing by reputation the officers and trustees" of the Bankers Alliance, expressed "confidence in their integrity," "high standing and character" and "management," some of the managers being "conservative bankers." They took pleasure in recommending the association as "reliable." Here are their names:

ALSO ENDORSED IT.

E. W. Coe, assistant cashier L. A. Nat. Bank; J. H. Braly, pres. Savings Bank So. Cal.; A. H. Braly, ass't cashier Savings Bank So. Cal.; Jno. Alton, Farmers & Merchants Bank; G. B. Shaffer, ass't cashier First Nat. Bank; P. F. Schumacher, German-Amer. Savings Bank; C. F. Winters, teller

Los A. Nat. Bank; C. Tedford and J. M. Campbell, First National Bank; W. T. S. Hammond, paying teller First Nat. Bank; Warren Gillelen, pres. Broadway Bank; J. M. Witmer, cashier California Bank; M. D. Chamberlain, cashier East Side Bank; L. W. Allingham, W. A. Barker, F. N. Marion, ex-member legislature; I. H. Le Veen, city editor *Express*; J. D. Burch, W. A. Vandercook, E. K. Benchley, W. R. Blackman, Benj. F. Kierulff, T. H. Ward, F. R. Willis, J. K. Carson, W. H. Shinn, Jno. A. Hunter, R. H. F. Variel, W. B. Dunning, L. R. Garrett, L. J. P. Morrill, Frank Stevens, J. E. Cowles, W. M. Lewis, J. L. Patterson, capitalist; Louis Luckel, D. Neuhart, E. H. O'Melveny, J. R. Mathews, L. J. Mathews, C. C. Gibbons, R. S. Day, D. W. Herlihy, T. Bessing, W. L. Bell, H. E. Siddall, B. A. Holmes, J. P. Davenport, Geo. D. Betts, Wm. Dodge, R. T. Whittlesey, J. N. Preston.

Bankers, wholesale merchants, retail merchants, doctors, lawyers, etc., all endorsing a wildcat insurance company! Let this list be a warning to all persons inclined to put any faith in endorsements by Chamber of Commerce members and by representative men of any sort.

At the time these men were endorsing the management and the plans and the rates of the Bankers Alliance it was virtually insolvent. It never could have succeeded, anyway. Its real condition soon leaked out, and some of the officers and directors were forced out, and a desperate but futile effort was made to save it. Investigation showed that the managing trustees, who stood "highly in commercial and social circles," were drawing big salaries for no real services, and were helping to push the association into a very deep hole. There may have been a "clean up," there certainly was a "clean out"; and several of the "exes" hied themselves to Denver, where they are working the same old game.

The reader is asked, with the assurance of a quick negative answer, Is the endorsement of an insurance scheme by "successful and conservative business men," worth a rap?

THE NEW Continental Assurance Company—which sounds foreign, and may be Canadian—is offering to insure against disability from almost every disease known, excepting contagious and infectious diseases, which are the very ones which the average man of sense prefers

to be secure against. Some bankers and merchants and other "good men" are incorporators, but we recall the fact that the biggest humbugs of all sorts have been likewise fortified and endorsed. Policyholders should require this Detroit-Canadian-Assurance company to exhibit undisputable proof of substantial capital and handsome net surplus, before putting up good money for its indemnity.

Manager Chas. Christensen's Department.

The American Central of St. Louis and the St. Paul of St. Paul have a Pacific department, with headquarters in San Francisco, under the management of Charles Christensen. This is well known, of course; but we want to call attention to the very conservative course pursued by this department during the rate war period.

The temptation to write freely and "get business on the books" when the opportunity presented was very strong, but Maj. Christensen preferred quality and adequate rates, to mere volume, and was content to hold only the most desirable business. We find verification of this in the Coast figures of the two companies, as printed on page 87 of the February *Coast Review*. In 1895 when rates were cut in two the premiums fell nearly 40 per cent., and the loss ratio was unpleasantly high of course. Next year, too, the "war" continuing, there was another though much smaller loss of premiums, but the decline in losses was double in proportion. Herein we find evidence of careful selection. Last year there was another large falling-off in losses, though much more business was written. With more at risk, losses were 23 per cent. less than in the previous year, and the losses incurred were only 37 per cent., which is 10 per cent. less than the general Coast average.

The American Central.

This old St. Louis company made handsome gains in assets and net surplus last year, and incurred a moderate loss ratio. The net surplus increased over a third, advancing from \$293,584 to \$401,-

578. This percentage is extraordinary. A large sum was also added to the assets.

The total assets of the American Central are now \$1,738,262, over a million of which is surplus as regards policyholders. In round numbers, for every dollar of obligations the company has two and a half dollars to meet them. This is first-class security.

Looking over the company's figures we find that since 1890 progress has been made yearly in resources and reserves. Uniform prosperity has enabled the directors to pay handsome dividends yearly.

The St. Paul F. & M.

The associate fire office under Maj. Christensen's management in this field is the St. Paul Fire and Marine Ins. Co., whose figures for January 1st also tell a story of prosperity. The St. Paul added over \$111,000 to its assets last year and increased its net surplus some \$58,000. Its premium receipts rose from \$1,436,317 to \$1,562,637. It is evident that the company shared liberally in the benefits of improved business conditions.

The St. Paul has \$2,362,705 assets. Its net surplus is \$732,013, a handsome sum indeed, making the surplus as regards policyholders \$1,232,013, or about half of the total funds of the company. The year's business left a large balance to the good, which strengthens the company and is therefore satisfactory to the holders of its indemnity as well as to the holders of its stock.

Lloyds Plate Glass.

This prosperous plate glass insurance company made large gains last year in assets and surplus, and increased its re-insurance reserve. Income exceeded losses and expenses \$90,000. Handsome dividends were paid as usual.

The Lloyds Plate Glass now has \$744,576 assets, of which \$511,502 is surplus to policyholders, a gain of over \$54,000 in the year. It is the leading American plate glass insurer. It has the largest capital, largest assets, largest reserve and largest income.

The Lloyds—bear in mind, it is a stock company, and Lloyds in name only—issues a policy guaranteeing against loss by accidental breakage from all causes, such as burglars, drunks, boys, children, window-cleaners, runaways, storms, falling objects, pistol-shots, warping and settling, and slamming of doors. The extent of plate glass breakage in the United States is indicated by the fact that the Lloyds alone pays for about 7,000 breakages yearly.

The Mutual Reserve Fund.

The recent increase in the rates of the Mutual Reserve Fund has provoked a storm of protests from members over all the country. Meetings have been held in at least a dozen cities, and attorneys have been consulted with a view to injunction proceedings. The rates in some cases or classes are enormous, and must result in "freezing out" undesirable risks advanced in age. Probably this is what the management wants to accomplish. Last week we received particulars of one old member whose rates on a \$3,000 policy have been increased to \$700 a year! James M. Taylor of Richmond, Va., who refused to pay the increased rates, has been granted a temporary restraining order by the court. His attorney charges that the association has not lived up to its obligations, and has entered into a conspiracy to defraud old members.

The agents of the association, he says, assured the applicants that the rates should never be greater than those printed and exhibited, and would some day be less; that said agents distributed, with the authority of the association, a leaflet containing promises that the "quinquennial bonds" would make the certificates self-sustaining after fifteen years; and that the cost would not exceed half the old-line rates. These cheating promises were also printed and distributed broad-cast on the Pacific Coast, and many a poor man was duped thereby.

In all these contracts, however, there has been concealed a litter joker, in small type—a reserved right to levy additional

assessments. Mr. Taylor's attorney acknowledges the existence of this joker, but seemingly he hopes to have it pronounced null and void because it is masked and because the "advertising literature" of the association—by law held to be a part of the contract—promised there should be no increase and that the cost should be only "half price." We fear that no court will sustain this view of the contract. The attorney says:

"It is true the first policies issued contain a few words of doubtful meaning hidden away at the end of a clause that relates to a wholly different subject, that may possibly be held to authorize assessments at the discretion of the managers of the association, and later policies or certificates come out in bolder language asserting such a right. But these later assertions were never made until the defendant had been so long making public representations all over the United States, by its agents, that no assessments except of the smallest and most reasonable character would be made, that a general idea had grown up everywhere that all assessments would be ratable upon all members, and of the most moderate character, and that parties could safely insure with the defendant in the belief that they would be treated with exemplary fairness, and would be most moderately assessed; and when the bold assertion was incorporated, it was disguised in a great mass of printed matter, that a man, disarmed by previous good conduct, would not read, as was well known and understood; and it is impossible to deny, upon any fair construction of the defendant's various contracts, considered along with the authorized representations of its agents, that it intended all persons insuring with it to believe that the most moderate assessments would be made, and upon all alike, and that in a reasonable time all assessments would cease through the operation of the quinquennial bonds."

The Mutual Reserve has recently had a large force of "twisters" at work, at exceedingly large salaries. They are paid as high as \$150 a week, which is much more than they can earn at any legitimate work. They are paid high wages because the work required of them is "dirty." At all hazards, at whatever sacrifice of truth and honor, they must persuade the old members to exchange

their old contracts for new. The credulous are deceived, the obdurate are threatened, the weak are coerced. One man who refused to exchange the old for the new contract, was told that the association would increase his assessments to \$1,000 a year, if necessary to force him to make the exchange. As we have said before, the condition of the association must be desperate, to make its recent high-hand dealings necessary. It is possible that the management is employing every effort to avoid a failure like that of the Mutual Reserve's twin sister, the Massachusetts Benefit.

Recently Mrs. J. P. Seay wrote to the *Interview* from Wilson, La., regarding a compromise payment which she had been obliged to accept from the association, she said in part:

"I can give you no reasons why the company refused to settle my claim in full—was told none—but was simply positively informed by Mr. Bartlett that if I did not take \$400 for the claim that I could get nothing. He further stated that he was in honor bound not to divulge his reasons, but if the facts in the case became known that I could not get a cent of the insurance.

"I had always paid up the premiums when due—in fact, it became a hardship for me to do so, and the fear that I might lose this amount, coupled with the fact that the bribe was later on raised to \$500, induced me to accept the amount.

"I am a widow with several small children to provide for, and any further help that I could get out of this claim would be indeed a god-send to me."

We can easily credit this, even if names were withheld; for the *Coast Review* contains the account of similar "bulldozing" in Oakland, Cal., by agents of the Mutual Reserve. Our energetic New York contemporary, which is waging a relentless war on the humbug, prints the following cases of compromised payments by the association:

	Am't of Policy.	Am't Paid by Ass'n.
Payson T. Hukins, California . . .	\$ 5,000	\$ 2,750
J. W. Perrin, South Carolina . . .	5,000	2,500
H. A. Duncan, Kentucky	5,000	2,000
G. W. T. Hurley, Maryland . . .	2,500	600

L. J. Bona, South Carolina	2,000	550
Jefferson Post, New York	5,000	2,000
P. L. Meyer, New York	10,000	3,500
F. O. Swain, Wyoming	2,000	1,000
J. F. Peebles, Kansas	3,000	1,500
R. Hawthorne, Massachusetts . .	10,000	5,000
Alfred Fritz, Pennsylvania	1,000	468
E. M. Hart, New York	5,000	1,500
G. W. Oudyn, Colorado	3,000	1,500
W. Sauer, New Jersey	3,000	1,500
J. Coreoran, New York	1,000	150
R. Godfrey, Minnesota	1,500	150
J. P. Fisher, Missouri	2,500	500
Totals	\$66,500	\$27,118

Suggestions upon the Choice of Fire Insurance Literature.

BY HERBERT FOLGER.

[Continued.]

Turning from the consideration of special hazards to the everyday block of mercantile buildings, there is less material at hand, notwithstanding that our largest income and heaviest loss comes from this class. Fire Marshal Sweeney of Chicago has given us a paper on "High Buildings—Their Internal and External Fire Hazard," and Mr. Edward Atkinson has published a little pamphlet entitled "Lessons from the Boston Fire"; but there seems to be little else except the interesting report by Mr. John R. Murphy, one of the Boston fire commissioners, giving the result of his inspection of foreign cities and buildings, illustrated with 17 diagrams comparing London structures and blocks with those in Boston, New York and Chicago. On the other side of the ocean, one of our most valued correspondents, Mr. Thomas A. Bentley, the honorary secretary of the Insurance Institute of Manchester, has written two papers—"Contiguous Risks vs. Limits," and "Manchester Warehouse Limits," from which you may learn something of the construction of mercantile risks in England, with diagrams, and obtain an idea of the risk upon which a line of \$25,000 is retained by an office. In the same series, there is also a paper upon "Manchester Warehouses," by Mr. James Robb; and one of the most interesting papers received from Great Britain was read before the Insurance and Actuarial Society of Glasgow, by Mr. David L. Laidlaw, entitled "The Growing Fire Hazard of Central City Districts." There is much diversity of opinion among managing officers with reference to the desirability of lines on large dwellings. That doubt exists upon the other side is shown by the paper upon "Mansion House Risks," from which it seems that an extra rate of premium is demanded when the value of the contents rises above a given figure.

Tariff Associations.

In the practice of fire underwriting, no adjunct is so important as an organization to fix and maintain adequate rates. While agreements of some kind probably existed earlier, the Solamander

Society of New York, appears to have been the first American board with a distinctive name and avowed objects. Its doings, rates and vicissitudes generally have been preserved to us in five articles written for the *Insurance Times*, by Mr. Henry A. Oakley, thirty years ago. Its fate was similar to that of modern institutions, and it has been followed by many others, the reports and proceedings of which make up a large part of the literature of fire insurance. Only fragments are left to us of early conventions, the best known being the report of the committee of 1850. A letter written to the *Monitor* in 1864, probably by Mr. Heald, upon "Radical Defects in the Agency System," exhibits the need of something better than rate-making by agents. The writer remarked:—"The merchant establishing a branch store does not think it too much trouble to mark each piece of goods, nor should companies planting agencies deem it too laborious to give a rate on each baliwick to the agent appointed, write it in a book, and demand faithful and absolute compliance therewith." He adds—"Wouldn't the agents laugh?" which indicates that our special rate books of the present day seemed out of the question then. The convention of 1866 led to the formation of the National Board of Fire Underwriters, whose thirty annual reports form perhaps the most useful and valuable collection in fire insurance literature. In later years, much of their space is devoted to committee work, which need not be gone into in detail; but the discussions, participated in only by principal representatives of companies, reveal the trend of opinion among men who guided the course of the business from year to year, and evince the characters of the chief actors in the insurance drama as no other literature in our possession can do.

Leaving the general field covered by the National Board, there are several organizations in the United States which may be said to possess literature, though covering only restricted territory. The New England Insurance Exchange issues an annual report of considerable interest, and its presidents, beginning with Mr. U. C. Crosby, have become well known. Of these, the closest to us is Mr. Henry E. Hess, through his connection with the Insurance Library Association of Boston. Next in prominence is the South-eastern Tariff Association, in which the perfection of committee work appears to be exemplified. The addresses of its long-time president, Major Livingston Mims, are entitled to a high place, from a literary point of view, but we have found nothing from the pen of Mr. Clarence Knowles and others whose work in the South has given them national reputations.

It is practically impossible to obtain access to the literature of foreign rating organizations, if, indeed, any could be found. But we should not be ignorant of the existence of the Fire Officers' Committee, and the few allusions to it are instructive. Mr. Swinton Boulton, the founder of the Liverpool & London & Globe, whose career seems to have been as rapid in its progress and sad in its termination as that of the late J. B. Bennett, has been credited

with the organization of the committee in 1858, though some measure of co-operation had existed, in Scotland at least, as early as 1829. Our elders across the water are by no means blind slaves to their tariff committees, jealously as they guard their doings, and the infallible guide is sometimes assailed with vigorous freedom. Mr. John Kingsley has written a valuable essay upon "Non-Tariff Competition—Cause and Cure," from which we can quote only the following: "If the tariff association cannot thoroughly satisfy the public that it has honestly striven to apportion rates to risks in as strict accordance with scientific principles as circumstances will allow, it will fail to re-establish its claim for preference over rivals whose calculations have been similarly guided by the rules of thumb." Another paper, entitled "Politics of Fire Insurance," by Mr. Francis J. Kingsley, is a severe arraignment of the tariff association as it existed in 1878. His opinion of what an association should be and do is excellent. "In the first place, it must gain the approval and confidence of the public, and must uphold its title to their trust by a manifest regard for their interests. A combination which should seem to have been formed in the exclusive interest of the companies concerned would speedily be stigmatized as a Trades Union, and would not long survive that opprobrious and, indeed, damnable epithet. And the success of such a combination would depend upon the absolute *bona fides* of the association officers; their determination to take no advantage whether open or underhand of one another, and, in a word, to stick to the spirit as well as to the letter of their agreement." Mr. Kingsley's address elicited the extraordinary statement by a member who discussed it that he considered "that if a number of practical men were associated with the tariff committee, there would be fewer anomalies in the tariffs of the future than were found in the past." Mr. Henry Plummer, in a paper upon "The Philosophy of Tariffs" expresses the feeling that "the complaints of the public on the score of tariffs and their manifest aversion thereto, arise not so much from objections to the principle itself, as from a sense of the unequal and unjust manner in which the tariffs operate. Out of this sentiment all non-tariff offices have been born."

In considering tariff associations generally, no student should pass over the paper on "Combinations," by Mr. Thomas S. Chard of Chicago, whose style is well known to you. The temptation can not be restricted to make use of a single paragraph: "In early times a king, looking from his palace window, saw afar a river hasting to the sea; and, remembering that to the place whence rivers come, thither they return again, said, All is vanity. He forgot the harvest fields and meadows made glad by the running river; and we, seeing how combinations are formed only to be broken again and then reformed, forget the good they do during their brief lease of life."

Passing from the field governed by the literature of rating organizations, there are a number of papers which may claim to have something to do

with the scientific side of insurance. Common as it is to find algebraic formulæ in connection with life insurance ratings, they are so rare in fire insurance that the exceptions deserve special mention. Among the reports of the Insurance Institute of Ireland is a short but highly interesting essay by Mr. Harold Engelbach, secretary of the National Insurance Co., entitled, "Fire Rating, Theory and Practice," opening with the words: "I propose to make an endeavor to demonstrate that in fire insurance there is a theory upon which we might, under certain conditions, arrive at what I will call true rating." Having said so much, and whetted the mental appetite of his hearers by presenting equations which look formidable to the uninitiated, he thus startles them: "I have now propounded to you a beautiful theory, but I am bound to tell you that it is but a theory, and that I myself regard it as utterly impracticable. Impracticable because you have not and never can have the statistics upon which alone it could be based." If this were literally true, it would be a waste of time to refer to the paper; but he must be bold indeed who will tell us, in the light of the progress already made, that we never can have better statistics. And so Mr. Engelbach's equations are held up for the admiration of the theorist and the study of the youthful enthusiast who would fain reform the business for us.

Statistics.

Those who claim for fire insurance some measure of scientific direction generally begin by delving into statistics, that immense labyrinth in which, having rashly ventured, one may so easily lose himself. Beginners are prone to think their deductions of the utmost value; those who have been longer engaged in digging shafts and cross-cuts in this vast mine sometimes contend that figures may be adduced to support any given proposition. However, common sense and caution will do much in this department, and no branch of insurance literature is so full of possibilities. First in importance are the statistical tables prepared for the U. S. Census by Mr. Charles A. Jenney, and those presented with the annual reports of the National Board, showing premiums received, losses and expenses paid, amounts insured for long and short terms, and ratios enough to satisfy the most ardent lover of percentages. Next come the reports of the committee on statistics of the National Board where may be found for short and widely separated periods the experience of a few companies on a few risks, some of them published in the *édition de luxe* plan of one hundred numbered copies. One really wonders whether our ancestors, insurance-wise, really believed that non-board companies, upon learning the experience of the faithful few, would straightway forsake the blind leaders of the blind and charge adequate rates for unprofitable classes. There is as much ground for the belief of those who contend that, if the public be once convinced that tariff rates are based on real experience, and that anything lower is likely to be unsafe for the companies, the desirable portion of the insuring com-

munity will have no other contracts than those of tariff companies. From the papers on statistics as a whole, only one has been selected for your consideration, the address by Mr. Henry H. Hall on "Statistics—Their Use and Value," which will well repay perusal.

Sugar-Beet Insurance.

Probably California is the only place in the world where sugar-beets in the ground are insured. They are insured against indirect loss by fire. For example, the farmer has many acres of beets growing, for which he has a contract to sell at the sugar refinery at \$4.00 a ton. If the refinery burns, his beets may bring only 40 cents a ton for cow-feed. Here is a possible loss by fire that should be guaranteed against by a policy contingent on the destruction of the factory which converts his beets into sugar. No factory, no sale, and the farmer's work and expenditures for the season are a dead loss. Enterprising insurance companies supply the indemnity he needs, for it is just as legitimate to insure values depending on the factory as to insure the factory itself.

The beet-sugar industry is assuming large proportions in California. The largest beet-sugar factory in the world is being built in Monterey county. Already there are seven factories in the State, with a capacity of nearly 100,000 tons—more factories than in all the remainder of the country. The possible future of this industry is suggested by the number in Germany—397, with a capacity of nearly 12 million tons of beets.

THE theory that low rates persuade many property-owners to carry larger lines, and also secure lines on considerable property uninsured when rates are high, is plausible enough, but it is not supported by the experience in California during the recent rate war, when rates were cut in two. After the fabulously prosperous year 1892, when business was good everywhere in the United States, the amount written began to decline in California. In 1893 it was ten million less, next year it fell another ten and more, next year (rate war '95) it was over seventeen million less, and in the follow-

ing rate war year it was twenty-four million less. The amount written in the two rate-war years was less than in 1888-89. Allowing something for the increased term writings, which is exhibited in the twenty-four million decrease in 1896, and something for decreased prosperity, the amounts written refute the theory that low rates increase the amount insured and therefore in some measure offset the loss of premiums caused by the reduction of rates.

New Zealand Ins. Co.

The annual meeting of the shareholders of the New Zealand Ins. Co. was recently held, and the fifty-ninth report and balance sheet was read and accepted. The chairman said: "Notwithstanding the keen competition for business and lower rates of interest prevailing for investments, the revenue has been well maintained." A careful scrutiny of the company's investments and securities showed that their value exceeds that placed on them in the company's books. Dividends to the amount of 11¼ per cent. were paid the shareholders.

Owing to the Melbourne conflagration the loss ratio for the year was unusually heavy, but the company's reserves are too large to be affected by an occasional unfavorable experience. The assets foot up \$2,479,325, divided into \$1,000,000 capital, \$625,000 reserve fund, \$550,000 re-insurance fund (making \$1,175,000 general reserve), and other miscellaneous funds. The total income was \$1,512,370, of which there remained, after paying losses and expenses, \$55,365. Expenses have been reduced, and the directors are confident that this reduction has been secured without affecting the extent or character of the company's business.

The New Zealand has been doing business on the Pacific Coast for many years, and has made an enviable name for just and liberal dealings with claimants. It has \$350,000 invested here, for the additional security of Coast policyholders. These facts, together with its very large surplus, place the company's contracts in

the most favorable light for the consideration of prudent property-holders who demand first-class indemnity.

As recently announced in these columns, the Pacific department of the New Zealand is now in charge of Manager W. P. Thomas, an experienced Coast underwriter.

Philosophical Agents.

Away down East in Oil City, Pa., is an agency firm (Lucas & Son) who write so sensibly on fire insurance that we are tempted to make the following quotation:

Chief Justice Field once said substantially that fire insurance is not merchandise, not commerce, but more like a science, and its prosecution a profession (and inferentially) requiring exceptional skill and training.

The fundamental principles to a continued success must be: Adequate charge to risk assumed as learned from ten year periods of losses to each class of risk written, small commissions, minimum managerial expense, equable lines on each class of risk, avoidance of the conflagration hazard in congested districts, wide distribution of liability. Of the volume of business done the largest part must be of the preferred classes. A big reserve fund with which to span the ever recurring excessive loss chasm of the known off year. New companies do not reach the normal or average loss ratio until the fourth year and not even then if its premium income is increasing.

A promise to pay is not security, only a promise. Security to secure must have good available assets. The last end of a future contingent contract is of far more importance than the front end, and its cost of least importance.

Insurance companies are in the business to make money, and you want them to make money, for if they do not make money they cannot give you good security. Most men, and corporations are only men massed, are honest in keeping their contracts so long as the treasury is full, and they cannot keep it full if they do their business below known cost.

There is more room for green goods selling in fire insurance than in any other business in the world, because you do not find them out unless you have a loss, and then it's too late to mend it. If you do not have a loss any old thing is just as good as another.

A commissioned agent's acts bind his companies. Not so if he be a broker; the law makes a broker's acts your acts, and thus may cut some big figure in times of losses.

The bank check raiser don't stay long in any one town. The slick adventurer that is here to-day and gone to-morrow, that is up this year and down the next, is not to be trusted in such matters like the old, time-tried and thoroughly tested resident, who must meet you face to face at the last end of your contract.

Beware of Fire Mutuals.

MUTUAL FIRE INSURANCE COMPANIES WHICH CEASED BUSINESS IN 1897.

Atlantic Mutual Fire, Atlantic City, N. J.
Atlas Mutual Fire, Providence, R. I.
Athens Mutual Fire, Athens, Ga.
Aurora Mutual Fire, Philadelphia, Pa.
Builders' Mutual Fire, Philadelphia, Pa.
Business Men's Mutual Fire, Boston, Mass.
Cambrian Mutual Fire, Scranton, Pa.
Century Mutual Fire, Philadelphia.
Century Pennsylvania Mutual, Williamsport, Pa.
Commercial Fire, Saginaw, Mich.
Detroit Residence Mutual, Detroit, Mich.
Factory Mutual Fire, Philadelphia.
Franklin Mutual Fire, Greenfield, Mass., (reinsured by the Globe Fire, N. Y.).
Georgia Mutual Fire, Atlanta, Ga.
Industrial Mutual Fire, Providence, R. I.
Iron City Mutual Fire, Pittsburgh, Pa.
Maine Mutual Fire, Augusta, Me., (reinsured by the Granite State Fire, N. H.).
Manufacturers' Mutual Fire, Atlanta, Ga.
Mechanics' Mutual Fire, Atlanta, Ga.
Merchants' Mutual, Marshall, Mich.
Mutual Fire, Detroit, Mich.
Mutual Dwelling House, Lansing, Mich.
Mutual, Rochester, Minn.
Old Colony Mutual, Boston, Mass.
Protective Fire Association, Detroit, Mich.
Rebuilders Mutual, Minneapolis, Minn.
Southern, Minnesota.
Sprinkler Mutual Fire, Philadelphia (reinsured by the Globe Fire, N. Y.).
Tradesmens Mutual Fire, Philadelphia.
Tri-County Fire, Saginaw, Mich.
Underwriters' Mutual Fire, Atlanta, Ga.
Union Fire, Indianapolis, Ind.
Western Mutual Fire, Albert Lea, Minn.
Westford Mutual Fire, Westford, Mass.
Wissabickon Mutual Fire, Philadelphia.
Wolverine Mutual Fire, Saginaw, Mich.
The Mutual Fire of Minneapolis changed its name to the Minneapolis Fire and Marine Mutual. *Weekly Underwriter.*

The State Mutual has withdrawn from Kansas, making six or seven taking the manly course in dealing with His Antics.

Special Agents.

FROM A PAPER BY EDWARD NILES, READ AT THE MEETING OF THE FIRE UNDERWRITERS ASSOCIATION OF THE PACIFIC, FEBRUARY, 1898.

When an insurance man wants to appear a little better than common, he speaks of himself as "an underwriter," and then, if you ask him what an underwriter is, he will tell you that he is an insurance man, and there his information will end.

The name dates back to the first part of the present century. Up to 1824 insurance companies were not allowed to effect marine insurance, with the exception of two. The high rates charged by these two companies, which had the monopoly, forced the business into the hands of private persons, who were obliged to resort to a trick, in order to transact their business. These persons could not enter into an agreement jointly as a company, as such a proceeding would be illegal. So they met in Lloyd's coffee house in London, and when a merchant or ship-owner wished to insure his vessel or freight, these individuals subscribed or "wrote under" the policy of insurance the sum each would make himself liable for, in case the ship or cargo was lost.

Something has already been said about the special agent, and such a variety of knowledge has been gathered for his benefit, that further comment may suggest carrying coals to Newcastle or gold to Alaska. Yet, like the poor, he is always with us and cannot be ignored.

One of the best special agents I know told me that with care and study he found it not only difficult, but impossible to live up to his theories.

Practical knowledge is power and in no other branch of business is it more effective than in fire insurance which levies tribute on many sources of information. Energy is desirable, yet a man may be active and inefficient. If force is not properly controlled and directed, it is like an engine without a governor, and it has been truly said that nothing is more terrible than ignorance in action.

Are special agents necessary for the effective development of the fire insurance business? The answer to this is the experience of companies which tried to carry on their business by correspondence or by spasmodic attempts at special work. The result in every case, so far as I know, was a disintegration of the business. I have in mind an insurance plant that for many years paid dividends, which, as its special work was reduced, dwindled,

until there was little left but a name. No matter how skillful the manager, nor how wise and persuasive his letters or circulars may be, the business cannot be held without visits to the agencies by intelligent representatives of the company, duly empowered for such immediate action as the various contingencies may demand.

Managers might sympathize more with their special agents if they would put themselves in their places, but whether in the event of such a change of positions the special work would be better done is an open question. It has been claimed that one experienced special agent out of five is competent to fill a managerial chair, while but one manager out of ten, it is said, is thoroughly satisfactory in special work. Whether this statement be correct or not, it seems important that managers should visit their leading agents and cultivate their acquaintance. Men "in the purple," who wear the imperial toga, may not labor as closely, in all road details, as their traveling employes, and cannot be expected to, yet many of them do occasional effective work in the field, in a broad, comprehensive way, although they must necessarily leave the gathering up of the loose ends and the petty tags of routine to their subordinates.

Any young man of average intelligence who has acceptably filled the examiner's desk in a well conducted fire insurance office, may be considered as available for a trial in the field. A valuable knowledge of methods and detail is gained in such a position, and the habits of care and patience acquired are prime requisites in special work.

The friendship of agents should be carefully cultivated, and this need not imply insincerity. It is possible to acquire the habit of having a kindly feeling toward the agents without being hypocritical. In many of the smaller towns they have a hard struggle to make a living, and merit hearty sympathy and earnest help. Rather than annoy them with a "pernicious activity" and persistent demands for business, I would "glide into their darker musings with a mild and healing sympathy that might steal away their sharpness ere they were aware."

There are unpleasant features of special work. The absence from home: the discomforts of travel: irregular hours: poor food and other minor drawbacks make up the seamy side, but there are compensations in change of scene, and variety of labor, freedom from office hours and a feeling of independence.

There is often much work to be crowded into one short day but it is remarkable what can be done by keeping steadily at it, and concentrating your forces. It is also interesting to note how easy it is to fritter away time and accomplish little by laboring in an indifferent and desultory way. Having tried both plans I know whereof I speak.

Whether or not it is a good business proposition for the wives of special agents to accompany them on long trips is not in my province to decide. Personally I will be glad to have my wife accompany me if she will pay all of her expenses. But this question need not cause any speculation nor discussion for it is not a live issue. After the first year of marriage the special agent travels alone. I do not know, nor care to know, the reason, but such seems to be the case.

Doctors, lawyers, editors and school-teachers do not make first-class agents, and ministers are simply out of the question.

Some of the country people have queer ideas. At Galt, I was mistaken for the new Methodist minister. At Independence, a small boy asked me if he could carry the bills for the theatre. At Deming, the barber thought I was one of the doctors in charge of the tent show advertising the "Great Sagwa," or Indian root bark and herb remedy, while at Germantown the stage driver remarked, "when you fellows got off the train we said that the other two were drummers. We couldn't size you up, but finally concluded you were a sport."

There is no good reason for being envious of the managers. Any one of them is, doubtless, willing to say with Paul: "I would that you are even as I am, save for these bonds."

In your letters, do not attempt word-building in the German style. Language, in this country, was not invented to conceal thought. Although the big words are often more expressive, the short ones are easier to control. Archaic forms seem undesirable, and foreign quotations are hardly appropriate.

As an aggravated example of mouth-filling words, the following may serve as a warning:

Among the Hottentots (Hottentoten), the kangaroos (butelratte), are very numerous. Many of them roam about the country, free and respected, while others, less fortunate, are caught and shut up in a cage (kotter,) furnished with a cover (lattengitter), which shelters them from bad weather. These cages, then, are called in German, lattengitterwetterkotter, and the kangaroo, once imprisoned, naturally takes the name of lat-

tengitterwetterkotterbeutelratte. One day an assassin (attentaeter) was arrested who had killed the Hottentot mother (Hottentotenmutter) of two children—one of whom was a stammerer (strottertrottel). This mother in the German tongue, is designated by the word, Hottentotenstrottertrottelmutter, from which it follows that the assassin takes the name of Hottentotenstrottertrottelmutterattentaeter. The murderer was shut up in a kangaroo cage, (beutelrattenlattengitterwetterkotter), from which he shortly escaped. But, fortunately, he soon fell into the hands of a Hottentot, who went joyously to the mayor of the village, exclaiming, "I have caught the attentaeter."

"Which one?" asked the mayor; "we have several."

"The attentaeterlattengitterwetterkotterbeutelratte."

"Of which attentaeter are you speaking?"

"Of the Hottentotenstrottertrottelmutterattentaeter."

"Then why couldn't you say in *one* word, that you had caught the Hottentotenstrottertrottelmutterattentaeterlattengitterwetterkotterbeutelratte?"

The Hottentot fled to the woods.

An article was read recently before an Eastern insurance association in which the statement was made that special agents have not acquainted insurers with the merits of the compact system of inspection and rating. This does not agree with my experience. From what I know of the efforts of the field men, I believe they have done much to convince property owners of the fair intent of compact methods. Unfortunately, though doubtless unavoidably, ratings of doubtful equity have been made by surveyors working under schedule, and in such cases it has, of course, been impossible to convince property owners that they were fairly treated.

—The San Francisco "fire limits" have not been extended for a number of years. There are two thriving business streets which we should prefer to see included in the limits. These are Hayes from Market to Laguna and Polk from Sutter to Jackson. The store buildings generally on these streets are substantial wooden structures, and the fire limits conditions would impose no hardships on owners. The opposition would be less now than in the future.

—A resident agents bill has passed the Kentucky legislature.

Union Central Life Insurance Company.

Marvelous gains last year! These four words tell the story of the Union Central Life Insurance Company's activity and prosperity. More than this, during all of the past five years steady gains have been made in every desirable point, notwithstanding the general depression in the American business world in '93-94-95-96. The Union Central is the only company that can make this boast. The company's assets are now \$18,701,855, a gain of \$2,171,995 in twelve months. Of this large sum, \$13,455,354 is invested in first mortgage loans on real estate of double value. The remainder is invested in United States bonds, loans on collateral, real estate, cash in banks, etc. The gross surplus on a 4 per cent. interest basis is \$2,611,371, which is a gain of \$311,190. The percentage of assets to liabilities has advanced two points and is now 116.

The income during 1897 was \$4,760,721, a gain of \$445,021. The interest receipts, as for many years past, was more than enough to pay all death claims, maturing endowments, taxes, license fees, and real estate and loan expenses. The rate of interest actually realized on the mean amount of invested assets was 6.8 per cent.

New business gained nearly six million, the total amount being \$35,927,324. The total amount in force is now \$106,517,344, a gain of nearly thirteen million in the year. The Union Central now ranks among the upper ten with over a hundred million of insurance in force.

The growth of the company has been rapid but healthy. The management is conservative and economical, and the various policy forms, though very liberal, are well within the lines of perfect safety. The mortality experience has been uniformly favorable, and the operations of the company are confined to the most healthy regions of the United States. Death claims paid in 1897 were only 0.77 per cent. of the mean amount at risk. The average rate for all companies is about 1.34 per cent.

The Pacific department of the Union Central is now under the management of G. C. Pratt, who wrote nearly half a million of new business for the company last year in California and increased the amount in force.

The California Retaliatory Law.

We have summarized this law recently, but judging from Eastern comment and opinion the California retaliatory act is still misunderstood. The offensive measure is as follows:

Sec. 622, P. C. When by the laws of any other State or country any taxes, fines, penalties, licenses, fees, deposits of money or other obligations, or prohibitions, are imposed on insurance companies of this State doing business in such other State or country, or upon their agents therein, IN EXCESS of such taxes, fines, penalties, licenses, fees, deposits of securities or other obligations, or prohibitions, imposed upon insurance companies of such other State or country, so long as such ["excess"] laws continue in force the same obligations and prohibitions of whatsoever kind must be imposed upon insurance companies of such other State or country doing business in this State.

This law, under the peculiar provisions of the constitution of California, is invalid; but the question of its validity has never been before any court. The commissioner would not agree to a test case. His construction would be startling if it were alone and not ridiculous. He ignores the word "excess," and holds that everything that is required of a company by another State or country must likewise be required of that State's or country's company doing business in California. The fact that a California company does no business in such other State or country makes no difference, according to the commissioner's construction of the law.

It is estimated that the annual fire losses in North America and Europe are as follows: United States, \$125,000,000; Russia, \$110,000,000; United Kingdom, \$50,000,000; Germany, \$30,000,000; France, \$20,000,000; Austria, \$15,000,000; Canada, \$8,000,000; Italy, \$5,000,000; remainder of

Europe, \$5,000,000; Mexico and Central America, \$3,000,000. This is a total of \$376,000,000.

Connecticut Mutual Life Insurance Company.

**FIFTY-SECOND ANNUAL STATEMENT —
NEARLY SIXTY-FOUR MILLIONS GROSS
ASSETS.**

Here is an old life insurance company, as impregnable as Gibraltar, which regularly pays policyholders more than it receives from them, and yet goes on adding to its resources and increasing its surplus. Its career is a demonstration of correct principles and the solid basis of legitimate life insurance.

The Connecticut Mutual is conspicuously a policyholders' company. The management is on conservative and economical lines, with the single view of serving the best interests of policyholders. Expenses of management are extremely low, being only 10.68 per cent. of annual receipts. The surplus returned to policyholders last year was a sum over 27 per cent. of the premium receipts. This is a handsome dividend.

In 1882 the Connecticut Mutual, becoming satisfied that the influx of foreign capital would reduce interest rates on safe investments, determined to reduce its interest standard to a three per cent. rate. The surplus has ever since been computed on this low interest but eminently safe basis. Measured by this standard the surplus is \$7,360,936. On the 4 per cent. interest basis, as provided by State laws, the surplus is of course much larger.

The annual statement gives these large totals: Assets, \$63,588,661; liabilities, \$56,227,725; surplus, company's 3 per cent. interest standard, \$7,360,936; receipts, \$7,961,744; disbursements, \$7,534,865; policies in force, 66,705; insurance in force, \$157,701,387. All these totals are larger than those for the previous year.

President Greene, in his annual report, says: "The Connecticut Mutual takes for its single aim the one peculiar service

which life insurance alone can render, and which no other institution can rival: the perfect protection of dependent families, at the lowest possible cost—the cheapest, simplest most thorough family protection."

Since organized, the company has received \$195,855,215 from policyholders and has returned to them \$188,791,557 or 95.9 per cent., and holds in trust for them nearly 64 millions besides. Meantime it has paid expenses and over 9 millions taxes. The average expense ratio has been only 8.84 per cent. The total returned to and held for policyholders is over 128 per cent. of what has been received from them. This is a magnificent and unique record.

The Connecticut Mutual operates in this field under the superintendency of A. K. P. Harmon, Jr., and F. R. Noyes, the general agent, who increased the new business and insurance in force last year, in California and on the Coast.

The Mercantile F. & M. of Boston Goes to Baggs & Stovel.

The Mercantile F. & M. Insurance Company of Boston has entered California and appointed Baggs & Stovel general agents. The Mercantile is an old established office, being seventy-five years old. It has \$639,717 assets, of which \$475,183 is surplus to policyholders. The cash capital is \$400,000. Substantial gains were made in assets and surplus funds last year. Losses were only 35 per cent. of the premiums.

Baggs & Stovel, as we have already noted, is a new agency firm, who have begun business under auspicious circumstances. They represent also the American of Boston, another old Massachusetts company, which was organized in 1818. The American has \$624,262 assets and \$450,847 surplus to policyholders. Its net surplus is \$150,847 and its capital is \$300,000. Large gains were made in surplus and accumulations in 1897.

POLICY provided that "this company shall not be liable for loss caused directly or indirectly by explosion of *any* kind."

This clause seems plain enough. It does not seem possible that the company meant to or did or could assume liability for loss by explosion. That is a common sense view of the clause. But the Michigan supreme court has uncommon sense, and it rules that the policy assumed a liability for loss caused by explosion. It is no wonder that insurers pay many doubtful and dishonest claims rather than go to law.

San Francisco Elevator Liability Decision.

The supreme court of California recently ruled, in *Bancroft v. S. F. Tool Co.*, that the elevator manufacturers can not be held liable for damages resulting from accident to elevator. Decision of lower court affirmed as follows:

Section 1770, C. C., is but the re-statement of an elementary principle of law, and does not apply where the manufactured article is furnished under a contract demanding that it be made according to specific plans and specifications. For, under such circumstances, the purchaser selects the article and gets exactly what he orders; and in the absence of an express warranty assumes the risk following such purchase. There is no principle of law casting liability upon the manufacturer in the absence of express agreement, where he performs the contract to the letter.

Underwriting in Michigan.

"Competition ought to regulate rates." This is the opinion of Campbell of Michigan, who, we suspect, is being prodded by his official maker, Pingree. It is remarkable indeed, that after an anti-compact law was passed in Michigan the rates advanced. The average rate is now 1.50. When it is reflected that Michigan towns are largely built of Michigan pine, which never burns, the reader will agree with Commissioner Campbell that rates are too high. We can not help expressing a regret that so able an underwriter as the commissioner has not favored the public with the statistics on which of course his opinions are based. In 1896 the losses and expenses of Michigan fire underwriting exceeded the premiums. This fact would make us skeptical about

rates being too high; but the commissioner is quite positive that they are too high, and it would be discourteous to question him until we have stronger evidence of his error than mere sworn statements of fire underwriters.

* * *

At a Lincoln banquet last month Mr. Campbell overwhelmed his hearers with statistics, the accuracy of which may be judged from the statement that there is to-day 144 billions of life insurance in force in the world. When he spoke of the insurance laws of his State he was more at home. His picture of "legalized swindles" presents a disgraceful state of affairs, and we wonder that so earnest a reformer does not give more of his zealous efforts for the repeal of bad laws, and less to Don Quixotic assaults on fire insurance rates. He said:

"A man with \$10 in his pocket can start an insurance company. He can get a corporate charter with the great seal of the State that will allow him to go out and swindle every man he meets, make most impossible promises and then shield himself behind the great seal of our commonwealth. Some bright, scheming fellow, wanting a soft job, conceives the plan of a new company. For directors and officers he borrows the names of a coterie of good men who may be honest enough in their intentions, and then with these names, without a dollar of liability attaching to them, without becoming responsible for a penny of loss, without an hour of attention ever given to the business, though they may be worth their millions or bear a high reputation; with these names he goes out, and by the most consummate fraud and deceit he inveigles men into his snare. The victims are not to blame—they have trusted their legislators, who made the fraud possible.

* * *

If anyone still thinks the insurance department was created for the protection of policyholders, let him read this quotation from the commissioner's banquet speech:

"The Michigan department of insurance collects annually about \$215,000 in taxes and fees and turns the same into the State treasury. It costs the State about \$12,000 per year."

Life and Casualty Notes.

—The Union Casualty is now doing business in Texas.

—Frank A. Novak, the Iowa life insurance swindler and murderer who fled to the Klondike, languishes under mural limitations and a life sentence.

—The Red Men's Fraternal Accident—imagined fraternity among the American red men whose chief ambition was the scalp-lock of a brother in the neighboring forest—couldn't pay a claim, and now a receiver is trying to find color on the Red Men's claim in Westfield, Mass., the home of wildcats and red injuns.

—At the recent annual meeting of the New York Life Underwriters, President Yereance said: As any man is proud to see the growth of the structure in which he has had a hand in building, so the members of this association may justly be proud of the magnificent growth of life insurance interest in which each of you gentlemen has had more or less distinguished share. I have thought that it would be of interest to you to present a few figures compiled from the returns of all the fifty-four American life insurance companies to the first of January, 1898, and which compilation has not yet been published. On that date the assets of these fifty-four companies aggregated \$1,349,335,100, being an increase over the previous year of \$101,100,000; the surplus of these companies aggregated \$192,622,691, being an increase over the previous year of \$13,263,552, and this increase, notwithstanding the fact that one of our leading New York companies transferred from its surplus account some \$16,000,000 to increase its reserve fund, which amount, added to the increase of \$13,000,000 and odd dollars, would show an increased surplus of some \$30,000,000; the premiums received by these companies last year aggregated \$244,576,177, being an increase of \$16,512,000; the total income for the year aggregated \$305,741,303, being an increase of \$23,280,000; the amount paid policyholders during the year aggregated \$139,344,195, being an increase of \$3,000,000; the total disbursements during the year aggregated \$212,089,734, being an increase of \$17,000,000; the new business written during the year aggregated \$935,674,643, being an increase of \$121,000,000; the insurance in force on the first of January in these fifty-four companies aggregated \$5,333,343,448, being an increase of \$249,325,000; besides this amount there are in industrial insurance in force on the first of January over \$1,000,000,000.

—The Connecticut Indemnity has been refused a license in Kentucky.

—Several hunters have recently been killed, on the Coast, by the accidental discharge of guns. These men were in sound health and sure of living to "a good old age." None appears to have felt the need of insurance.

—A standing committee composed of R. A. Taylor and others has been appointed by policyholders of the Mutual Reserve Fund in Richmond, Virginia. All other dissatisfied policyholders are invited to correspond with the committee.

—The *News Press* of Poughkeepsie, N. Y., quotes a well known citizen as saying: "I have been insured in the Mutual Reserve Fund for several years. I began by paying \$18 every two months. My last assessment calls for \$105.30. I will not pay it."

—The Mutual Reserve Fund is to be examined by the New York insurance department. But what good will that do? It is not doubted that the association has the assets it claims, and the income, insurance, etc.; but verifying all these figures will not prove that the concern is solvent, or has paid all just claims in full. Can the examiners tell us the proportion of impaired lives? will they tell us the average age of the membership? dare they tell us all the particulars of compromised claims during the past year? We print elsewhere an article on the present embarrassment of this "association."

—It is currently reported that 80 per cent. of the surviving members of the Massachusetts Benefit were found uninsurable by the company which attempted to reinsure them. One hundred millions of insurance upon 40,000 living persons went out of sight by the failure of the three Massachusetts "imitation" concerns alluded to. More than 2,500 assessment concerns have failed in the United States during the last twenty-five years. It is a sad commentary upon such concerns that while they cannot exist long enough to furnish insurance for the whole life, they can postpone the day of failure till a fair share of their membership has become uninsurable. The injury thus inflicted upon the families of the living is greater than the benefits paid the families of the dead. The failure of the system which was theoretically demonstrated in advance has been conclusively proven by experience, and hence every such concern which is doing such business to-day is doomed.—W. H. Dyer.

—"Put yourself in his place!" That's the secret of fact.

—No assets! \$100,000 debts! This is the record of a so-called fraternal insurance society—the Odd Fellows Mutual of Indiana. The best business men in the State endorsed it!

—British accident offices have been authorized, by act of parliament, to issue a policy giving double benefits for accident of travel. This is an American idea, which the Travelers Ins. Co. very reluctantly adopted. Nearly all the policies of this company originated with more liberal companies. The Travelers is too conservative. We prefer a company less conservative in the settlement of losses. Some day there will be a new management and more liberal dealings with policyholders. Until then, "there are others."

—I deplore the tendency in some quarters to include insurance companies in the tirades against monopolies and trusts. Legislation in some States has been unfair against these beneficent institutions. Whatever may be the struggle between capital and labor, the great trust funds held by the insurance companies for their policyholders throughout the country should be safe. To disturb it would be to loosen the foundation stone of the home. This fund, though very large, is owned by a greater number of individuals than could be possible in any other business. The 10,000,000 policyholders represent an average of \$500 to each person insured. From the small size of each policy it is evident that the vast majority of patrons of life insurance are men of small means.—Pres. Bowles.

—A prominent business man proposed to insure his own life for the sum of \$50,000, wishing to do so by a single premium 30-year endowment insurance policy, such as is described and analyzed in the accompanying table. My information is, that notwithstanding the unquestioned excellence of the risk, this application went begging, being made successively to several offices. Whether it was finally taken by any company or not I do not know. But while it is reasonable to suppose that this sort of contracts might not be in much demand with applicants, especially if not offered with duly liberal rights to the recovery of a cash surrender value for any year of the policy term, why companies should refuse to write them, when voluntarily requested by acceptable risks, is not apparent to me.—Walter C. Wright.

—The Masonic Fraternal Accident of Minneapolis has put up its shutters for good. No wonder! Light sales for Odd Fellows' and Masons' "insurance" these days.

—The supreme court of Wisconsin has decided that the Travelers must pay the \$38,000 back taxes. The defendant contended that having been admitted as a life office it should be allowed to transact accident business without paying taxes thereon. This advantage was manifestly unfair as regards purely accident companies. The Travelers must have relied on the advice of New York attorneys. An appeal to the National supreme court has been taken.

—The question of insurable interest has received divergent interpretations in the courts of the United States in such a way that there are now existing two bodies of doctrine exactly opposed to each other, and I do not think that this fact has been sufficiently brought out in this discussion. The court of appeals of the State of New York holds one doctrine. The supreme court of the United States holds another doctrine. Each of these courts is supreme in its own jurisdiction. The majority of the State courts have of late years followed the supreme court of the United States, though some have followed the court of appeals of the State of New York. And the exact point of divergence is this, that in the State of New York an assignment once made is absolute. It is exactly the same as in England. The policy becomes the absolute property of the assignee. A policy may be bought and sold. Under the decision of the supreme court of the United States, in the case of *Warnock v. Davis*, which has been followed in various cases elsewhere, a policy of insurance can only be assigned for value or to a person holding an insurable interest, and when that insurable interest ceases or is reduced, the policy money will go, so far as it can go equitably, to the assignee; the remainder may be claimed from the assignee by the representative of the insured. We have in this country, as I think, made a step towards a higher plane of civilization in this respect. The decision of the supreme court seems to me as great a step in advance in one way as the Gambling Act in England was in another. It has prevented the sale of policies outright. It has given the value of the policy, so far as the assignee is unable to show an insurable interest, to the family of the insured, where it belongs.—Emory McClintock.

February Fires.**Washington.**

16. Olympia, fr dwg:
 Etna \$1,700
2. Pierce co., fr dwg & conts:
 Home, N. Y. \$473
8. North Yakima, fr creamery
 bldg:
 German-American . . . \$1,540
5. East Sound, stock of drugs:
 Western \$800
9. Seattle, fr dwg and conts:
 North British & Merc. . . \$646
11. Spokane, dwg:
 Imperial \$1,500
24. Spokane, mdse:
 North German \$3,700
28. North Port, dwg contents:
 Manchester \$600
22. Payallup, fr warehouse and
 gen'l mdse:
 Milwaukee Mechanics . \$ 750
 Lion 2,500
 Home Mutual 1,250
 National, Hartford . . 2,500
24. Umatilla Co., dwg and
 conts:
 London Assurance . . . \$ 500
- Losses under \$500 . . . \$4,960
 Total Washington . . \$22,559

Oregon.

19. Bandon, dwg:
 Hamburg-Bremen . . . \$1,500
22. Lake co., electric light w'ks:
 Queen \$1,000
18. Coburg, fr barn:
 American, Pa. \$1,000
14. Marshfield, gen'l mdse bldg:
 German-American . . . \$1,400
25. Haines, dwg and contents:
 Orient \$800
24. Roseburg, fr dwg:
 Etna \$2,500
- Multiomah co., fr dwg:
 Fireman's Fund . . . \$1,500
10. Portland, dwg and household
 furni:
 Royal Exchange . . . \$2,525
18. Portland, fr dwg & bhld furni:
 Commercial Union . . . \$2976
- Losses under \$500 . . . \$1,790
 Total Oregon \$17,491

Montana.

10. Havre, fr hotel & conts:
 Milwaukee Mechanics . \$ 500
 Springfield 500
 Home, N. Y. 1,300
 Ins. Co. North America . 500

10. Havre, gen'l mdse in fr bldg:
 Manchester \$1,000
14. Havre, br store:
 Connecticut \$ 500
1. Missoula, stock:
 North German \$500
 Williamsburg City . . . 600
23. Three Forks, fr dwg:
 Sun \$1,050
- Losses under \$500 . . . \$4,639
 Total Montana . . . \$11,089

Idaho.

1. Boise, bhld furni, etc:
 Alliance \$500
21. Latah co., fr dwg:
 Svea \$600
25. Joel, grain in warehouse:
 Etna \$ 825
 London & Lancashire . . 3,600
25. Moscow, grain warehouse:
 Palatine \$1,400
- Losses under \$500 . . . \$1,770
 Total Idaho \$8 695

Wyoming.

25. Cheyenne, bldg and mdse:
 National, Hartford . . . \$700
12. Cheyenne, dwg and conts:
 Manchester \$850
13. Laramie, stone church and
 organ:
 Fireman's Fund \$3,988
- Losses under \$500 . . . \$1,211
 Total Wyoming . . . \$6,749

Colorado.

13. Telluride, fr bldg:
 Fireman's Fund \$500
21. Cortez, bldg and machinery:
 Palatine \$2,000
 Svea 1,000
25. Denver, dwg:
 Imperial \$800
- Losses under \$500 . . . \$3,051
 Total Colorado . . . \$7,351

Arizona.

21. Prescott, fr boarding-house:
 Etna \$2,500
- Phoenix, Hartford . . . \$2,000
17. Flagstaff, dwg and conts:
 Lion \$1,000
24. Tucson, hay in warehouse:
 National \$750
 Palatine 750
- Losses under \$500 . . . \$1,170
 Total Arizona \$8,170

Hawaii.

1. Oahu, dwg and contents:
 Lion \$ 500
 Imperial 2,500

12. Honolulu, br bldg and tele-
 phone office:
 Ins. Co. North America \$1,750
 London & Lancashire . . 1,500
- Losses under \$500 . . . \$312
 Total Hawaii \$6,562

Utah.

- Losses under \$500 . . . \$950

Nevada.

- Losses under \$500 . . . \$450

New Mexico.

- Losses under \$500 . . . \$146

Alaska.

- Losses under \$500 . . . \$88

British Columbia.

- Losses under \$500 . . . \$5

Total Outside Territory \$90,305

California.

4. Los Angeles, dwg & conts:
 Western \$1,000
10. Los Angeles, stk hardware:
 German Alliance . . . \$4,000
 Franklin 2,500
29. (Jan.) Los Angeles, dwg:
 North German \$970
10. Los Angeles, br bldg, ware-
 house and conts:
 Hartford \$1,307
 Royal Exchange 1,000
 Thuringia 1,000
24. Los Angeles, fr dwg:
 Home \$800
22. Los Angeles, fr dwg & barn:
 German-American . . . \$700
26. Los Angeles, conts of dwg:
 British America \$500
14. Los Gatos, mdse & bldgs:
 National \$995
 Royal Exchange 920
 Liv. & Lond. & Globe . . 725
9. Modesto, photo gallery:
 National, Hartford . . . \$500
- Navarro, fr hotel:
 Fireman's Fund \$600
11. Napa co., farm property:
 Thuringia \$1,650
 Commercial Union . . . 1,400
9. Oakland, dwg:
 Home Mutual \$4,500
12. Oakland, fr dwg:
 Etna \$700
- Oakland, fr dwg:
 Etna \$1,000
- Pomona, fr dwg & windmill:
 Liv. & London & Globe . \$575
7. Placerville, store and mdse:
 Connecticut \$500

Riverside co., fr dwg & bhd turni:	Sun	3,000	German-American	4,981
Fireman's Fund . . . \$1,600	Magdeburg	3,300	Greenwich	638
Tropico, fr store & mdse:	Greenwich	500	Hamburg-Bremen	2,140
Fireman's Fund . . . \$1,200	Milwaukee Mechanics . .	1,000	Hanover	279
22. Redwood, fr barn:	Orient	750	Hartford	3,195
Liv. & Lond. & Globe . \$2,000	Prussian National . . .	1,500	Helvetia	487
24. Santa Paula, fr dwg:	North German	542	Home, N. Y.	3,292
Commercial Union . . . \$500	British America	1,000	Home Mutual	7,704
6. Shingle Springs, bldg & stk:	Royal Exchange	1,250	Imperial	7,996
National \$ 500	Franklin	1,000	Ins. Co. North America .	5,452
Queen 1,000	Etna	599	Lancashire	721
19. Santa Clara co., dwg and conts:	New Zealand	599	Lion	6,472
Ins. Co. North America \$1,315	Royal	999	Liverpool & Lou. & Globe	4,187
2. Solano co., fr dwg and tank:	North British	1,750	London & Lancashire . .	7,050
North British \$2,020	Commercial Union . . .	1,198	London	2,289
12. Shasta co., fr saloon:	Total	\$29,885	Magdeburg	3,842
Royal 1,700	12. Stock in brick building:		Manchester	4,350
8. San Mateo, dwg and barn:	Fireman's Fund	\$930	Merchants	190
London Assurance . . . \$900	18. Stock of hides, etc.:		Milwaukee Mechanics . .	2,632
17. Sacramento, fr dwg & conts:	Commercial Union . . .	\$1,536	National, Hartford . . .	6,919
New Zealand \$1,000	Alliance	4,610	New Zealand	3,607
4. Santa Monica, stock, wines and liquors in hotel:	24. Household furniture, etc.:		New York Underwriters	611
Phoenix, Hartford . . . \$500	Commercial Union . . .	\$689	Northern	769
27. San Jose, dwg and contents:	25. Frame dwelling:		North German	6,545
Caledonian \$750	Sun	\$2,490	North British & Mercant.	6,036
12. St. Helena, fr boarding house:	25. Frame dwelling:		Norwich Union	251
Etna \$1,000	Pennsylvania	\$500	Northwestern National .	6,000
14. San Bernardino, dwg & conts:	20. Frame building:		Orient	1,622
German-American . . . \$600	New Zealand	\$973	Palatine	5,881
11. San Bernardino, dwg & conts:	Losses under \$500 . . .	\$20,745	Pennsylvania	1,745
Ins. Co. North America . \$519	Total San Francisco . .	\$62,378	Phoenix, Hartford . . .	3,525
23. Ukiah, dwg and contents:	Total California . . .	\$135,896	Phoenix, London	621
London Assurance . . . \$600	Total Pacific Coast . .	\$226,201	Providence-Washington .	220
Home Mutual 949			Prussian National . . .	1,609
7. Visalia, br bldg:	Losses by Companies.		Queen	2,875
American, Pa. \$500	Aachen & Munich	\$ 793	Royal Exchange	7,104
Losses under \$500 . . . \$26,523	Etna	12,558	Royal	4,334
Total Calif., S.F. ex. \$73,518	Agricultural	1,328	Scottish Union & Nation'l	240
	Alliance	6,470	Springfield	1,655
San Francisco.	American, Boston	45	St. Paul	681
11. Brick building and various contents:	American, N. J.	415	Sun, London	6,797
Agricultural \$1,289	American, Pa.	4,805	Svea	5,093
American, Pa. 1,875	American Central	829	Transatlantic	790
Svea 2,686	Atlas	1,827	Thuringia	3,710
Imperial 1,875	Baloise	270	Union, London	1,515
Lion 1,875	British America	1,940	Union, Pa.	40
Alliance 1,298	Caledonian	1,287	United States	34
	Commercial Union	8,683	Williamsburg City . . .	600
	Connecticut	1,621	Westchester	225
	Fireman's Fund	13,027	Western	2,193
	Franklin	3,600		
	German Alliance	4,232	Total	\$226,201

San Francisco.

11. Brick building and various contents:	
Agricultural	\$1,289
American, Pa.	1,875
Svea	2,686
Imperial	1,875
Lion	1,875
Alliance	1,298

Fire in Manila.

Late advices are as follows: A destructive fire has swept over Manila, destroying the richest sections. Loss, \$2,000,000; insurance, \$89,000, distributed thus, apparently in silver value:

Aachen & Mun. . . \$ 50,000	London & Lane. \$ 35,000
Atlas 18,000	Magdeburg . . . 60,000

Baloise	44,000	Manchester . . .	59,000
China	45,000	Netherlands . .	18,000
Commerc'l Union	39,000	Northern Assur.	55,000
Empress	8,000	North British . .	55,000
Hamb'rg-Bremen	15,000	Royal Exchange	35,000
Hong Kong . . .	24,000	Royal	55,000
Imperial	39,000	Union Assurance	200,000
London Assn'ce	29,000		

While these are merely the insurances, in-

cluding reinsurances, it is quite likely that they are erroneous, as is usual with first estimates.

Justice Harlan's Recent Decision.

In the Nebraska maximum freight rate case, the supreme court of the United States re-affirms the doctrine that corporations are persons within the meaning of the fourteenth amendment, but judging from the intemperate remarks of the shameless populist governor of Kansas (who denounces the court as "rotten and corrupt"), Justice Harlan may have gone a step farther than previous decisions.

Why Print at all?

Superintendent Matthews of the Ohio department announces by circular letter that the fire and life reports for his State will be ready about September and October respectively. And here is the New York fire report out already, and the life report expected the last of April. And the insurance journal charts are already dropping with over-ripeness. What's the use of the Ohio reports in the fall of the year? Why print at all? It is good money wasted. But if you want a copy, send 24 cents for postage if you are a fire man, and 19 cents if you are a life man.

Fifty-third Annual Statement of the Mutual Benefit Life Ins. Co.

In another column the reader will find presented in detail the annual statement of the old Mutual Benefit Life of Newark, N. J., which several years ago rounded its first half century. A man at 53 is still young, but a life insurance company is old at the same age, because life insurance as now practiced is a modern institution. But in strength and vigor, however, the company is young, and promises never to grow old.

The results of the Mutual Benefit's business last year were the most favorable in its history. Large gains were made in all the departments of the company's business. Premiums were \$8,606,191, a gain of over \$417,000. Income gained over \$610,000. The assets, \$63,024,972, gained over two million. The surplus, \$4,784,925 on market value and 4 per cent.

interest, is \$477,000 greater than a year ago. New business written in 1897 was \$34,616,016, a gain of over four millions. Insurance in force is \$234,496,688, a gain of ten millions.

Of the 16,007 applications in '97, 397 were not recommended by the local examiners, and of those recommended 1,406 were not approved by the home office examiners. President Amzi Dodd mentions, in his annual address, as an instance of the law of average, that the number of declined applications is from year to year very nearly the same percentage of the applications received.

Since 1882 both assets and insurance in force in this sterling old company have nearly doubled. Every year shows a gain in number of policies in amount insured and in assets. The company's growth has been remarkably steady and healthy.

In resources, conservative management and the confidence of its policyholders, the Mutual Benefit easily takes a place in the front rank among the great life insurance companies of the world.

Manager Munsell of the Pacific department increased his business last year. The company is well represented in this field, but more agents can find good territory by writing to Mr. Munsell or to the home office. The company's contracts are extremely desirable and popular.

A CHICAGO COMPANY with a common noun for a name protests loudly against the use of the same common noun by a New York company. The objection is not well taken, for a company adopting a common name must expect it to be likewise used by other ventures whose managers are lacking in originality. The comical feature of this protest is the assumption that the name in this case is of any value to anybody. We have yet to hear of the first man who even asked for a policy in the company, let alone insisted on it, which might indicate the existence of value in the name alone. Ten to one might be safely wagered that in the company's own home town not a property-

owner in a square-full ever heard of the company. Had the organizers selected a distinctive name, as the Corker or the Porker, the alleged encroachment or appropriation of name might arouse at least a languid interest where the business of the company is large enough to be perceptibly injured. The secretary's demand that the offending company with the same name should be required by the insurance czars to conspicuously print "of New York" is funny enough to make our yellow Louisville contemporary forget for a moment to take a sad view of the profits which fire underwriters are making in California.

Employers' Liability Assurance Corporation.

The United States branch of this leading liability company reports larger assets, reserves, surplus and premiums, as compared with the figures for the previous year. Losses were less and the underwriting profit made a large gain.

The assets invested in America are \$1,205,009, of which sum \$412,306 is the handsome surplus. The solid character of these assets is indicated by such items as \$283,625 in government bonds. Most of the remainder is carefully invested in twenty-five or more first-class railroads' and cities' bonds. The company has also increased its deposits with the insurance departments of New York, Massachusetts and Ohio.

Geo. Munroe Endicott is United States manager of the Employers' Liability, with headquarters in Boston. Among the trustees we note such well known business men as Wm. A. French, president of the Massachusetts National Bank; and among the advisory board, such names as Chauncey M. Depew.

The company is represented in this field by Chas. J. Okell & Co. of San Francisco, who write a large business in the three classes of risks assumed, to-wit: employers' liability, fidelity and surety, and accident.

The Employers' Liability is very conservative, and writes business carefully, with the assurance of meeting all liabil-

ities promptly and liberally. Its long experience in the business makes it cautious and gives it a basis for rates which are not merely speculative. It has seen a number of competitors rush in and fail, and leave thousands of claims unpaid.

The Magdeburg Fire's U. S. Branch Statement.

The newly organized United States branch of the Magdeburg Fire Ins. Co. is giving a splendid account of itself. Last year it added nearly a fifth of a million to its assets, increased its reinsurance reserve from \$77,963 to \$290,534, and advanced its premium income from \$88,326 to \$509,939.

Of the \$881,729 assets \$618,750 is invested in United States government bonds. The surplus is \$532,501. Losses were small. Nearly a hundred thousand was added to the assets since June 30.

The Pacific Coast department of the Magdeburg Fire is in charge of Gutte & Frank, the well known San Francisco managers. They did a large and profitable business in this field last year.

New Mexico and the Deposit Law.

So far only ten companies have complied with the new deposit law. The favorite plan so far is to deposit cash with the banks, for which 4 per cent. interest is paid, and certified checks to the amount of ten thousand dollars are then deposited with the auditor.

The companies that have complied are: The American Central, Fireman's Fund, Fire Association, Hartford, Ins. Co. of North America, Liverpool & London & Globe, London & Lancashire, National of Hartford, Scottish Union & National, St. Paul F. & M.

As the income from New Mexico is about \$135,000, these companies should receive all they want, and be eagerly sought after by the local agents.

Folded Their Tents and Silently Stole Away.

The following Arabs have recently departed from California: The four fire Lloyds—Manufacturers' Mercantile, Mutual and Traders, On Tai, National Life of Hartford, and the Security Mutual Life of Birmingham.

—The Covenant Mutual Life Association of Galesburg, Ill., is levying heavy extra assessments on all members admitted before 1890.

Utah Callings.

Special Agent Jolly visited San Francisco during the month, to talk over affairs with Manager Mullins.

Secretary Faymonville of the Fireman's Fund passed through Ogden on the 5th, bound for home. Special Mendell ran down from Montana to consult his superior.

Mr. Clarence Warneck is again at his post in the Hugh Anderson agency, after having spent several months in the Fireman's Fund office in San Francisco "resting up."

The firm of W. E. Smedley & Co., one of the oldest firms in Salt Lake, have moved their office and are now nicely located in pleasant quarters nearly opposite the Hugh Anderson agency.

Special Manning and wife stopped in Salt Lake on their way to San Francisco. Special Manning was called in to visit his old home in San Jose, and to look after the renewals of business written during the "rate war" in the Atlas.

Montana Mutterings.

Chief Surveyor Parkhurst is again at his post, looking much improved by his sojourn in California.

Mr. Anderson has the appointment of State agent for the Connecticut Mutual Life Ins. Co., for Montana.

Special Agent Allen of the Northern is a visitor, and is making the several towns in the State where his company is doing business.

Special A. R. D. Paterson of the Sun and Orient has been spending a month in this State in the interest of the companies mentioned.

Special Dixwell Hewitt of Manager Edwards' office is with us, looking after the affairs of the Manchester, Caledonian and American.

The Dugan & Jones agency have resigned the agency of the Niagara and it has been transferred to Messrs. Reynolds & McDougal, a new firm in Butte.

The firm of Anderson & Arkwright, of Helena, have retired from the fire insurance business. The companies formerly represented by them have been transferred to Messrs. Piatt & Heath.

Ass't General Agent Miles is visiting the agencies of the London & Lancashire, in the Montana field. The new special of this com-

pany, J. K. Urmston, of Los Angeles, is also paying his respects to the agents of this section.

Mr. H. E. Owen and family left Butte on the 10th inst. They will stop a few days in San Francisco, and then go to Los Angeles, where they expect to make their future home. Mr. Owen has for nine years been one of the leading local agents of Butte, and recently disposed of his agency to Lynch & Bachelor.

The firm of R. A. Luke & Co., of Helena, has made a change, Mr. R. A. Luke retiring to accept the position of State agent of the German-American and Phenix of Brooklyn for the State of Montana, and Mr. John W. Luke continuing as agent for the fire insurance companies. The firm of R. A. Luke & Co. will continue to represent the life and accident companies in the agency, the change affecting the agencies of the fire companies only.

New York Fire and Marine Report.

The bound volume of the first part of the report of the insurance department of New York, dealing with the fire and marine companies, presents some very interesting totals. The 148 fire companies, estimating the expenses, received \$6,397,347 premiums in excess of losses and expenses in New York. Of this sum, the twenty-eight foreign companies' share was \$2,178,783. This \$6,000,000-odd profit will make the *Insurance Herald* very sad indeed.

The total premiums and losses of the 152 joint-stock companies reporting to the New York insurance department, in 1897, were as follows:

<i>Companies.</i>	<i>Premiums.</i>	<i>Losses.</i>
123 American	\$5,232,224	\$42,626,165
29 Foreign	41,532,555	20,996,942
152 Total, 1897	\$126,764,779	\$63,623,107
133 Total, 1896	123,886,032	66,791,242

There are ten new New York companies, five additional other-State and four additional foreign companies, compared with the previous year. Their figures affect the totals only nominally. The gain of three millions in premium receipts in the United States indicates a very decided improvement of business conditions. The wave of prosperity has had a buoyant effect on premiums as well as on values. The average loss ratio was about 51.8 per cent. It is probable that this is the lowest percentage since the department was organized. As usual, the foreign companies

transacted nearly a third of the business and incurred the larger loss ratio.

Wisconsin Wager.

One of the methods by which life insurance is obtained in Wisconsin, while dodging the rule that prohibits the cutting of rates or the division of commissions, was recently given an airing in the courts of Milwaukee on a suit to recover \$150 on a bet. The agents of the Northwestern Mutual and Mutual Benefit Life were after the same person. It was only a question as to which could offer the best inducements. Accordingly the Northwestern man offered a bet of \$150 that his company dealt more liberally with his policyholders than did the Mutual Benefit Life. The condition of the bet was that the one they were after should decide and the money of the loser be turned over to him to be used in the payment of a \$5,000 policy. The Mutual Benefit Life was awarded the decision and now the Northwestern man wants his money back on the ground that the decision was not made on the same kind of policy in both companies.—*Mutual Underwriter*.

Answers to Correspondents.

London Fire.—There were no American companies interested. The report to that effect was sent out by ignorant or interested parties.

Co-operative.—Over ninety Coast assessment associations have failed.

Underground.—The Aurora, Commercial of Delaware and American Trust & Insurance of Chicago are not authorized to do business in California nor anywhere else in the Pacific West. They do an underground business. No claim against them can be collected in a California court, nor be collected anywhere in any way, as we believe. They are wildcats. Let them alone.

Ft. Wayne.—This is not "a first-class company," as claimed in statement. "Chartered A. D. 1850" is misleading. The fact that the Ft. Wayne Ins. Co. hails from Indiana, the breeding ground of wildcats, is enough to condemn it at the start. We agree with our correspondent, that the commissioner would spend his salaried time more profitably to the people of the State if he gave more time to the punishment of undergrounders and less to the annoyance of legitimate underwriters.

—A Reno fire agent has saved a few dollars by not subscribing for the *Coast Review*, but at the same time he has lost a few hundred dol-

lars by the failure of an assessment society against which this journal has repeatedly warned its readers. Moral, obvious.

Acknowledgments.

Charts.—Insurance World chart, Standard, Spectator, Argus, Pennsylvania twenty-five years, Investigator's fire charts.

State Report.—New York Fire Report, from Supt. Payn. It is dated February 19, and is unusually early.

Fees & Taxes.—Supt. Payn of New York favors us with an abstract of various States' fees, taxes, etc. It indicates the extent of the loading of premiums for insurance taxes.

Fallacies of Assessment Plan.—By S. L. Fleishman, Pittsburg, Pa. This is a bound book of 170 pages, much of which is devoted to the Mutual Reserve Fund.

Fire Underwrt. Assn. N. W.—Secretary E. V. Munn obliges us with a bound copy of the 1897 Proceedings of the Fire Underwriters Association of the Northwest. We have already made a number of quotations from papers read at this meeting.

Casualty & Surety Figures.

	Assets.	Surplus.
American Surety—		
Jan. 1, 1898	\$5,529,646	\$4,281,826
Jan. 1, 1897	5,272,804	4,193,607
Employers Liability—		
Jan. 1, 1898	1,144,203	412,366
Jan. 1, 1897	1,119,797	388,189
Fidelity & Casualty—		
Jan. 1, 1898	2,967,010	739,726
Jan. 1, 1897	2,611,189	590,180
Frankfort, U. S. Branch—		
Jan. 1, 1898	439,998	226,992
Jan. 1, 1897	282,341	230,257
Lloyds Plate Glass—		
Jan. 1, 1898	744,576	511,502
Jan. 1, 1897	688,760	457,142
Preferred Accident—		
Jan. 1, 1898	552,145	241,794
Jan. 1, 1897	459,877	219,658
Standard Accident—		
Jan. 1, 1898	\$50,904	275,246
Jan. 1, 1897	\$19,115	264,820
Union Casualty & Security—		
Jan. 1, 1898	718,923	308,829
Jan. 1, 1897	715,886	290,711

—Land values are so poor in Kansas that the insurance superintendent says that recent loans at half the appraised value will never repay the principal and a moderate interest. Thus does this foolhardy official blacken the name of the State that enables him to pay his board bill.

Nine Years' California Life Business.

COMPANY. DATE BEGAN BUSINESS. SAN FRANCISCO REPRESENTATIVE.	January 1st.	New Policies Written.			Insurance Renewed.		Insurance in Force.	Losses and En- dowments Paid.
		No.	Amount.	Pre'ms.	Amount.	Pre'ms.		
ETNA LIFE Hartford. 1830.	1898	119	\$301,000	\$10,582	\$1,581,677	\$55,443	\$2,001,915	\$60,910
	1897	188	508,500	17,180	1,454,877	51,591	2,049,412	57,524
Capital \$ 1,750,000	1896	193	172,000	17,142	1,303,847	47,078	1,831,340	44,052
Assets 47,584,667	1895	107	260,000	7,858	1,221,195	46,085	1,583,481	56,327
Surplus 6,887,873	1894	104	205,350	6,612	1,238,821	47,493	1,589,727	61,661
In force 150,661,898	1893	155	340,000	10,074	1,177,521	46,185	1,673,604	39,423
H. B. Houghton, Manager.	1892	117	261,500	9,013	1,159,921	44,952	1,558,791	18,287
	1891	115	352,500	13,969	1,027,428	40,776	1,454,551	33,135
	1890	124	261,000	12,242	950,569	35,979	1,364,689	44,080
CONNECTICUT MUTUAL Hartford. 1816.	1898	302	549,500	16,158	3,657,400	128,512	4,921,753	112,011
	1897	292	516,500	14,648	3,595,600	119,531	4,720,513	133,640
No Capital Stock.	1896	390	745,500	22,956	3,535,500	125,014	4,815,251	114,914
Assets \$63,588,661	1895	254	535,000	18,816	3,422,650	121,406	4,532,776	133,131
Surplus 7,360,936	1894	303	699,000	14,951	3,417,727	126,912	4,563,660	97,472
In force 157,701,387	1893	355	813,500	32,232	3,395,300	113,948	4,639,134	112,134
A. K. P. Harmon, Jr., Dist. Supt.	1892	254	713,750	28,177	3,024,800	116,201	4,339,829	70,900
	1891	169	652,500	22,911	2,751,400	87,965	4,016,360	63,525
	1890	76	261,500	9,766	2,727,400	87,424	3,599,690	99,835
EQUITABLE LIFE New York. 1859.	1898	1612	4,561,210	187,925	12,281,402	480,610	18,447,796	186,631
	1897	906	2,300,000	78,804	12,362,620	468,302	15,822,712	179,810
Capital \$ 100,000	1896	742	2,054,399	69,163	12,231,799	443,995	15,052,765	252,268
Assets 236,876,308	1895	1083	3,888,723	121,244	11,271,975	466,414	15,890,401	251,990
Surplus 50,513,174	1894	985	2,798,000	100,531	12,448,900	501,580	15,784,666	244,634
In force 951,165,837	1893	773	3,014,600	113,210	11,791,017	463,183	14,970,717	214,671
A. M. Shields, Manager.	1892	899	4,246,000	187,878	11,013,338	437,294	13,614,838	142,319
	1891	733	3,551,500	167,376	9,513,300	391,182	12,153,780	195,417
	1890	656	4,369,500	191,720	8,241,500	360,693	12,937,612	193,475
GERMANIA LIFE New York. 1850.	1898	297	502,500	18,036	2,129,800	81,586	3,357,490	27,326
	1897	320	613,087	21,340	1,996,600	80,665	3,359,229	97,425
Capital \$ 200,000	1896	217	506,774	21,044	1,787,300	75,673	3,058,313	113,787
Assets 22,362,443	1895	367	803,500	33,158	1,677,300	66,625	3,352,300	105,629
Surplus 2,076,620	1894	256	635,451	24,042	2,332,349	63,680	2,530,504	82,392
In force 70,434,816	1893	33	111,215	3,149	2,386,331	70,201	2,567,580	130,613
W. A. Jacobs, Manager.	1892	15	69,500	3,366	3,618,873	78,762	3,786,173	41,563
	1891	31	285,500	14,342	3,374,936	67,826	3,718,236	70,794
	1890	40	137,300	6,180	3,308,420	76,156	3,504,730	55,525
HOME LIFE New York. 1860.	1898	195	376,470	13,984	1,417,500	55,304	1,795,646	34,000
	1897	114	225,034	7,673	1,359,000	53,875	1,571,864	26,260
Capital \$ 125,000	1896	211	474,692	16,164	1,106,000	44,512	1,555,690	3,030
Assets 9,958,217	1895	78	217,363	8,456	1,194,000	49,409	1,376,898	35,000
Surplus 1,108,404	1894	114	351,820	18,091	1,181,000	49,580	1,487,095	5,000
In force 43,443,947	1893	156	505,675	21,147	1,109,333	47,756	1,552,413	57,500
Wm. H. Dunphy, Manager.	1892	135	461,835	21,328	818,833	34,579	1,214,168	22,500
	1891	178	676,133	27,358	537,000	22,116	1,206,633	6,500
	1890	127	418,000	14,772	399,000	15,620	812,000	5,000
MANHATTAN LIFE New York. 1850.	1898	160	369,250	14,170	2,987,295	110,522	3,470,281	68,055
	1897	134	433,085	14,562	3,103,400	116,033	3,597,750	82,897
Capital \$ 100,000	1896	147	624,482	20,225	2,883,784	106,925	3,919,294	61,160
Assets 14,916,582	1895	198	752,994	24,109	2,912,204	105,173	4,052,639	41,385
Surplus 1,225,188	1894	130	355,343	9,911	3,104,100	113,866	3,992,173	35,510
In force 56,156,466	1893	263	1,118,751	35,168	2,975,554	106,153	4,307,528	50,546
Jno. Landers, General Agent.	1892	420	1,204,120	44,091	2,727,137	102,685	4,052,701	125,414
	1891	436	1,539,279	59,612	2,879,427	87,025	4,019,706	47,300
	1890	404	1,216,802	48,988	2,423,063	60,826	3,380,365	84,088
MASSACHUSETTS MUTUAL Springfield. 1851.	1898	62	159,000	6,376	633,000	22,572	792,000	7,434
	1897	78	131,500	4,431	597,000	21,125	728,000	1,957
No Capital Stock.	1896	100	208,000	6,586	538,000	18,172	746,000	8,129
Assets \$20,342,617	1895	125	288,500	10,124	424,500	10,865	713,000	8,000
Surplus 1,758,293	1894	116	216,000	6,249	311,000	10,341	527,000	5,000
In force 109,045,660	1893	144	358,500	12,697	110,000	3,689	468,500	6,933
C. M. T. Parker, Manager.	1892	56	169,000	3,129	5,000	167	174,000	4,500

Nine Years' California Life Business—Continued.

COMPANY. DATE BEGAN BUSINESS. SAN FRANCISCO REPRESENTATIVE.	January 1st.	New Policies Written.			Insurance Renewed.		Insurance in Force.	Losses and Endow- ment's Paid.
		No.	Amount.	Pre'ms.	Amount.	Pre'ms.		
MUTUAL BENEFIT Newark, N. J. 1845.	1898	211	\$607,650	\$30,357	\$3,350,952	\$130,802	\$4,231,819	\$60,660
No Capital Stock.	1897	201	616,850	23,680	3,128,686	120,137	3,859,565	84,991
Assets \$63,024,972	1896	199	578,750	21,173	2,879,150	114,915	3,732,438	89,277
Surplus 4,784,925	1895	122	405,100	16,347	3,039,224	117,031	3,687,148	57,994
In force 231,496,688	1894	107	407,800	13,917	2,912,928	116,029	3,518,122	63,250
James Munsell, Jr., Manager.	1893	110	404,500	16,126	2,989,500	116,028	3,570,131	76,674
	1892	166	629,650	27,142	2,828,618	110,189	3,553,021	51,908
	1891	155	567,650	21,291	2,587,200	105,497	3,280,403	50,220
	1890	173	620,000	25,839	2,325,700	94,314	3,078,470	28,158
MUTUAL LIFE New York. 1843.	1898	990	2,647,728	122,019	20,218,100	856,834	26,533,244	644,859
No Capital Stock.	1897	1530	3,652,545	151,670	19,922,550	871,551	26,026,710	559,317
Assets \$253,786,437	1896	1798	4,969,261	224,192	19,359,800	865,483	26,260,402	606,258
Surplus 35,508,194	1895	1578	4,218,506	178,078	18,919,650	857,582	24,965,789	515,448
In force 930,634,496	1894	1747	5,375,760	233,735	19,374,850	882,985	26,887,052	611,189
A. B. Forbes & Son, Gen. Agts.	1893	1820	6,716,451	313,505	17,802,950	812,181	26,135,316	338,905
	1892	1264	5,148,073	261,219	16,170,400	721,818	22,888,633	485,117
	1891	1122	4,817,436	232,827	14,990,900	666,794	21,663,444	327,958
	1890	965	4,914,122	240,475	13,419,450	604,071	20,151,451	363,777
NATIONAL LIFE Montpelier, Vt. 1850.	1898	224	448,000	15,717	1,674,000	62,760	2,122,000	3,500
No Capital Stock.	1897	161	369,500	11,246	1,590,250	60,808	1,959,750	15,000
Assets \$ 14,826,932	1896	233	501,121	17,825	1,570,000	58,964	2,071,121	15,000
Surplus 1,820,165	1895	210	443,000	15,435	1,558,500	57,614	2,001,500	18,000
In force 76,663,080	1894	224	488,500	13,880	1,512,500	56,562	2,001,000	27,000
G. M. Stolp, Manager.	1893	310	693,500	23,052	1,280,000	49,514	1,073,500	3,000
	1892	277	711,500	27,494	1,067,000	39,310	1,778,500	23,000
	1891	197	681,500	22,173	580,500	21,020	1,262,000	...
	1890	124	410,000	13,410	318,500	11,756	728,500	...
NEW ENGLAND MUTUAL Boston. 1843.	1898	478	926,500	37,064	4,804,500	189,343	6,382,367	133,735
No Capital Stock.	1897	281	508,000	22,146	4,748,000	185,581	5,911,568	148,547
Assets \$26,939,136	1896	268	622,500	25,487	4,847,250	186,264	6,100,726	90,003
Surplus 2,127,428	1895	280	573,500	24,054	4,777,750	186,309	5,939,490	96,743
In force 93,996,092	1894	331	775,250	32,778	5,107,500	201,657	6,417,028	104,469
H. K. Field, General Agent.	1893	257	843,000	32,898	4,910,000	195,733	6,289,408	66,971
	1892	243	790,500	30,219	4,633,000	183,428	5,944,230	117,318
	1891	261	773,000	29,517	4,583,000	179,914	5,864,653	92,968
	1890	294	877,500	33,074	4,440,500	176,288	5,818,535	124,121
NEW YORK LIFE New York. 1845.	1898	1365	3,075,510	111,352	15,410,244	535,169	20,014,580	327,484
No Capital Stock.	1897	1149	2,673,285	96,713	13,891,250	496,918	19,354,172	380,887
Assets \$200,694,440	1896	1335	3,600,670	138,522	14,106,000	525,260	18,394,670	258,668
Surplus 33,372,031	1895	1860	6,753,000	264,652	13,810,000	476,442	20,875,000	268,106
In force 877,020,925	1894	1791	7,920,440	315,784	13,130,200	469,557	21,572,140	386,788
Chas. A. McLane, Manager.	1893	1572	6,700,470	264,152	10,243,000	420,138	17,319,070	178,936
	1892	1346	6,182,500	262,389	9,122,500	350,648	14,785,625	205,269
	1891	855	4,846,500	222,895	8,247,500	335,275	12,847,500	227,600
	1890	781	4,493,000	228,525	7,810,000	296,218	12,170,500	236,374
NORTHWESTERN MUTUAL Milwaukee, Wis. 1858.	1898	490	1,151,150	56,354	5,420,000	201,513	7,055,000	119,613
No Capital Stock.	1897	371	963,359	36,562	6,679,043	196,459	8,042,402	90,530
Assets \$ 92,633,604	1896	333	681,680	25,420	6,190,025	185,554	6,914,705	80,037
Surplus 19,511,008	1895	249	617,500	20,517	5,958,947	179,954	6,566,447	64,762
In force 384,167,829	1894	393	961,000	35,930	4,813,000	167,018	5,974,000	68,344
Clarence M. Smith, Gen. Agt.	1893	392	1,135,000	41,796	4,956,529	150,579	5,059,529	65,093
	1892	394	1,383,000	52,262	3,517,100	132,317	4,845,100	63,301
	1891	319	1,101,000	40,906	2,828,052	142,460	3,929,052	58,094
	1890	309	1,037,500	48,557	2,288,707	116,052	3,326,207	63,200
PACIFIC MUTUAL San Francisco. 1868.	1898	603	1,250,124	49,467	6,290,979	251,896	7,756,068	104,483
Capital \$ 200,000	1897	559	1,111,500	45,560	6,229,800	293,916	7,559,757	147,819
Assets 3,259,518	1896	473	1,060,500	43,520	6,258,800	294,126	7,528,737	92,695
Surplus 288,953	1895	388	940,500	39,634	6,163,000	292,010	7,353,559	139,922
In force 16,638,552	1894	292	873,500	37,320	6,044,000	290,792	7,149,093	169,281
Kilgarif & Beaver, Gen. Agts.	1893	311	971,186	48,559	5,558,500	282,173	6,746,735	133,364
	1892	362	1,084,085	49,931	5,365,000	260,820	6,578,848	159,547
	1891	262	874,637	37,802	5,294,000	247,980	6,436,628	166,288
	1890	269	696,360	30,399	5,201,000	243,608	6,633,507	107,338

Nine Years' California Life Business—Concluded.

COMPANY. DATE BEGAN BUSINESS. SAN FRANCISCO REPRESENTATIVE.	January 1st.	New Policies Written.			Insurance Renewed.		Insurance in Force.	Losses and En- dowments Paid.
		No.	Amount.	Pre'ms.	Amount.	Pre'ms.		
PENN. Philadelphia. 1817.	1898	359	\$1,102,700	\$33,207	\$2,821,000	\$102,165	\$3,923,700	\$26,917
No Capital Stock.	1897	264	767,500	25,362	2,523,000	94,546	3,200,500	23,500
Assets \$ 30,029,473	1896	241	706,000	22,278	2,162,000	79,629	2,868,000	38,012
Surplus 3,914,876	1895	203	547,500	16,491	1,949,500	74,856	2,497,000	30,179
In force 147,973,567	1894	148	484,000	24,352	1,722,000	57,951	2,266,000	5,617
	1893	194	643,500	24,256	1,340,000	43,461	1,983,500	4,105
	1892	236	856,000	25,039	853,000	31,623	1,648,000	10,500
	1891	176	533,500	13,480	525,500	17,537	1,009,500	...
	1890	145	435,000	13,003	261,000	4,093	631,500	5,000
PHENIX MUTUAL Hartford. 1851.	1898	82	159,000	5,571	167,737	4,101	336,737	10,578
No Capital Stock.	1897	16	55,000	1,940	121,676	2,914	171,315	3,616
Assets \$ 11,054,673	1896	...	...	...	127,850	3,291	173,331	8,892
Surplus 623,875	...	...	...	...	...	...	...	...
In force 46,021,069	...	...	...	...	...	...	...	...
James F. Osborne, Manager.	...	...	...	...	...	...	...	...
PROVIDENT SAVINGS New York. 1875.	1898	176	579,165	15,497	1,548,983	32,818	1,890,093	26,655
Capital \$ 100,000	1897	253	482,949	6,871	3,596,154	36,254	4,079,103	22,500
Assets 2,093,224	1896	307	635,647	10,478	3,285,360	32,167	3,921,007	8,500
Surplus 600,813	1895	293	626,506	8,637	3,013,193	29,156	3,639,699	22,000
In force 80,174,683	1894	421	1,025,150	21,079	1,150,595	20,269	2,175,745	20,000
Geo. L. North, Manager.	1893	225	822,500	17,739	1,471,000	13,162	2,293,500	30,000
	1892	56	235,000	2,049	918,000	9,481	1,165,000	40,000
	1891	94	575,000	11,483	423,000	8,059	998,000	35,000
	1890	120	728,000	11,000	2,000	22	730,000	20,000
TRAVELERS. Hartford. 1866.	1898	151	345,500	12,041	1,135,770	36,062	1,546,651	10,188
Capital \$ 1,000,000	1897	71	175,125	5,124	1,691,645	34,725	1,169,645	8,300
Assets 20,896,685	1896	81	231,367	6,725	1,041,578	32,938	1,361,945	31,000
Surplus 2,976,425	1895	66	167,828	5,215	1,049,250	33,616	1,184,578	22,500
In force 88,243,267	1894	110	368,000	11,841	884,750	28,123	1,244,750	14,281
	1893	103	335,961	10,314	1,053,979	36,340	1,387,940	7,770
	1892	80	239,974	7,868	967,275	32,707	1,207,249	8,849
	1891	100	242,433	7,142	884,842	29,860	1,126,275	8,035
	1890	103	204,409	6,156	782,933	27,569	953,392	6,750
UNION CENTRAL Cincinnati. 1867.	1898	171	446,371	25,396	739,283	28,217	1,185,654	21,389
Capital \$ 100,000	1897	189	432,187	7,778	630,046	27,185	1,063,133	13,030
Assets 18,705,130	1896	114	250,600	7,572	668,432	28,644	919,032	9,000
Surplus 2,615,984	1895	121	322,658	6,685	536,774	26,159	859,432	6,764
In force 106,517,344	1894	74	152,066	...	599,572	...	752,538	4,000
Geo. C. Pratt, Manager.	1893	172	373,086	...	453,526	...	826,612	3,000
	1892	133	320,277	...	386,450	...	712,727	4,636
	1891	137	360,950	...	256,500	...	617,450	2,000
	1890	236	583,600	...	...	...	761,100	9,200
UNION MUTUAL Portland, Me. 1849.	1898	514	815,784	28,340	1,377,546	51,168	2,534,798	65,814
No Capital Stock.	1897	417	715,482	22,370	1,047,030	35,090	2,097,873	24,793
Assets \$ 7,236,555	1896	245	440,000	14,539	816,000	30,412	1,594,483	16,858
Surplus 548,321	1895	140	295,000	9,090	744,000	26,712	1,330,161	11,254
In force 39,943,375	1894	144	287,000	10,280	...	...	1,247,076	27,571
W. C. Leavitt, Manager.	1893	83	158,500	6,031	...	...	1,120,960	20,356
	1892	161	310,000	10,617	...	...	1,123,461	11,488
	1891	64	154,000	5,263	...	...	916,192	32,444
	1890	55	126,500	4,620	...	...	769,745	9,745
WASHINGTON LIFE New York. 1860.	1898	86	206,500	5,167	493,560	17,280	708,948	16,733
Capital \$ 125,000	1897	40	113,679	1,406	445,260	17,140	627,668	...
Assets 13,943,452	1896	20	20,187	576	455,760	18,012	541,060	13,313
Surplus 504,468	1895	21	26,527	1,691	508,811	19,956	584,618	6,730
In force 48,813,597	1894	32	51,145	1,219	511,573	17,492	605,739	33,504
J. B. Day, Manager.	1893	42	73,378	2,789	492,201	18,359	604,800	3,300
	1892	43	99,734	1,735	478,710	19,692	621,742	17,033
	1891	26	62,100	1,554	504,700	19,326	604,498	6,489
	1890	25	57,052	1,688	484,700	17,773	559,222	14,445

Westchester Fire Insurance Company.**SIXTY-FIRST ANNUAL STATEMENT—LARGE GAINS IN ASSETS AND SURPLUS.**

In round numbers, a million dollars net surplus in its sixty-first year. This sum is three and a third times the capital of the Westchester, which is the happy possessor of this exceedingly handsome net surplus.

The past year has been a very favorable one for this old company. Nearly \$300,000 was added to the assets, and a similar gain was made in net surplus. Losses were only 47 per cent. of the premiums, and a very satisfactory underwriting profit was realized. The premiums amounted to \$1,342,217, and losses incurred were \$590,304. The usual modest dividend was paid on the \$300,000 paid-up capital.

The Westchester now has \$2,531,362 assets, of which \$1,299,827 is surplus to policyholders. That is to say, over half its assets is surplus. In the past ten years, the company's assets have about doubled and the net surplus has more than doubled. The Westchester is growing and prosperous.

On the Pacific Coast the Westchester is represented by General Agent H. C. Keller, an experienced underwriter, who has offices at 210 Sansome street, San Francisco.

Judge McKenna's Decision.

In the injunction suit of the Continental v. Board of Fire Underwriters, before Judge McKenna of the United States circuit court, early in 1895, one of plaintiff's contentions was that the Board was an illegal combination. It was urged that the Board was organized to stifle competition. Judge McKenna (now a National supreme court justice) decided that the Board was not an unlawful organization. The summary of this important decision was printed in the *Coast Review* for April, 1895, page 160a. Judge McKenna said: "I do not think the Board was organized to stifle competition. I do not believe the proofs sustain the charges. The Board was induced by trade reasons to

provide and execute a plan of competition."

Study of Law as an Aid to an Insurance Man.

FROM A PAPER BY CHESTER DEERING, READ AT THE ANNUAL MEETING OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE PACIFIC, FEBRUARY, 1898.

A prominent insurance man remarked to the writer the other day, that "when he had completed his second year in the business, he was surprised to find how little there was to be learned, but now that he had devoted a quarter of a century to it, his cause of surprise was, how much there was to learn and how little of it he had acquired." Probably there is no business outside of insurance in which a knowledge of the ins and outs of other lines of business is so useful if not necessary, and it is true that the larger the range of an insurance man's information, the better will he be equipped for the performance of his duties.

I remember some years ago when a member of the "Clerks' Association," listening to an address delivered before them by Mr. Edw. Brown upon what he considered the requisites of an insurance man. He set the standard high, higher probably than most of us will reach. Among other things, he desired his ideal to know as much about dry-goods as a dry-goods man, as much of chemistry as a chemist, must be a mechanic as well as a book-keeper, and as suave as a Chesterfield.

I believe that there are few studies as broadening and valuable to a business man, whether insurance or otherwise, than this study of law. He should familiarize himself not only with leading decisions bearing on insurance, but also with the general principles of commercial law, that is, contracts, agency, negotiable paper, as well as the Civil Code of the State.

Legal study is exceptionally good mental training; it teaches a person to think and to think in the right way and along practical lines, and to reason correctly.

To the beginner, the law book may appear dry and uninteresting. He will change his mind, I think, after he has fairly started, and as he progresses his interest will increase.

If the study is taken up systematically, and an hour or two each and every day devoted to it, time that is usually "killed" can be pleasantly and profitably utilized, and in a way that we will never regret, and I venture to say, that a fair knowledge of the law can

be obtained with as little mental strain and certainly with less pecuniary outlay, than would be required to gain a clear insight into the game of whist or poker, or to become an expert with the billiard cue.

It may appear, at first, a herculean task to wade through the dozen or so sheep bound tomes, but that is no way to look at it, for every page that is read, and read carefully and understandingly, brings one that much nearer the goal. Suppose one sat down and calculated how many steps must be taken to walk a mile, the walk would appear irksome and we would tire before we began.

To acquire a sufficient amount of legal knowledge to be of use to the insurance man, something more is necessary than a perusal of Ostrander, Barber, Phillips or May; one might as well begin the study of mathematics with compound fractions, as to begin the study of law by plunging into technical law books on insurance, or court decisions.

Alex Wetzlar was a good insurance man; he was also a lawyer. I remember after his death a list of his books was published. Prominent among these books were Blackstone and Kent. These books, and especially Blackstone, should be read to enable the student to understand the underlying principles of the A B C of law.

These principles, many of which have been handed down to us by Justinian, and the old English authorities on the common law, to-day to a great extent govern the decisions of our courts.

I fancy I hear some one say, "A little knowledge is a dangerous thing." Well, it is some times, but not in this case, for a knowledge of the underlying principles of law is not a "little" knowledge in the sense my critic intends. No, it enables the possessor to think clearer and better; reason more surely and accurately, and improves his judgment. Possibly my insurance ideal is criticized as being a "know-it-all," whose little knowledge is liable to get himself or company into trouble, through over-confidence in his ability, both legal and otherwise. Well, this is done frequently by those who have never looked into a law book, and I believe the more a person studies, the less he finds he knows, and consequently the more cautious he becomes.

A little legal knowledge will enable one to read the conditions of his policy more understandingly, and cause him to realize more fully the meaning and the necessity of various clauses and conditions that have appeared unnecessary and obscure.

An insight into the principles of waiver by the adjuster or special would often save money and litigation for the companies.

I know of a case where an insurance man would have saved himself some money and lots of trouble, if he had known that a "verbal contract" was as good and as binding as a written one.

As to the books to read and study, I would suggest first, Blackstone. (Chase's edition is good, for much of the old obsolete law with which the original and unabridged editions are weighted down has been omitted). I mention Blackstone, not because he goes deeply into insurance law, for he does not; he barely mentions it, as he wrote before fire insurance was much in vogue. I head my list with Blackstone, for about the same reason that all lists of the world's best books for general reading are headed by Shakespeare.

A knowledge of any branch of law, presupposes an intimate acquaintance with Blackstone, for it is the best and ablest creation on the old English common law, which is to-day the foundation of the laws of the various States in the Union, with the possible exception of Louisiana, which uses the French civil law.

Read the Civil Code of the State, not only the section relative to insurance, but the other parts concerning mercantile law, etc., which really constitute the greater portion of the book. Parsons on Contracts is a long work, but is very interesting and useful. It will well repay a careful study. A perusal of the first volume of Greenleaf's Evidence would not be amiss. Mechem on Agency, and Tiedeman on Commercial Paper would be of assistance, and while you are reading, do not forget to read Cooley on the Constitution. It will make you a better citizen, and consequently a better insurance man.

—Government life insurance in New Zealand has so far met only the success of private enterprises of the same age. It now issues a paper to champion itself, and thereby confesses the need of it. The government society boasts of "the security of the State," which is only what the government can collect in the way of taxes. The premiums have been largely invested in Colonial bonds, which might be far below par in the event of a general war. What would the reader give for a life policy based on "the whole resources" of Spain, for example? The New Zealand socialists are laying a store of financial wrath for the Colony, we much fear; and the various

government enterprises will collapse like the famous South Sea bubble.

Death of Secretary Bigelow.

Sudden death came to Wm. L. Bigelow, one of the secretaries of the Home of New York, last month. Heart failure ended a busy life. Mr. Bigelow was one of the active factors in the affairs of this big American fire office. He was a thorough underwriter and a master of all the details of the business.

The Phoenix of Hartford.

Over \$200,000 added to the assets, and over \$300,000 added to the net surplus. This is the record of the old reliable Phoenix of Hartford, for the year 1897. The ratio of losses fell off several points, and the underwriting profit advanced accordingly.

The Phoenix is in superb condition, with over a million net surplus and over three millions surplus to policyholders. It has \$5,538,379 assets, and three millions of annual premium income. A large and paying business is done by the Phoenix on the Pacific Coast, under the management of Arthur E. Magill.

The Injunction Cases in Judge Morrow's Court.

The defendant California insurance commissioner filed a number of affidavits, on March 7, when the injunction cases were called in the United States circuit court; and Judge Morrow therefore granted the petitioning companies' counsel time to prepare counter-affidavits. These were filed on March 11, as stipulated, and the hearing of the case was set for March 14. All of Monday the 14th was required for the reading of the affidavits. The commissioner's additional affidavits were ruled out, on the objection of counsel, as dealing with new matter. The commissioner's counsel made a number of exceptions, which he was pleased to explain were offered at the suggestion of the defendant.

Neither side was willing to be restricted to two hours for the argument, and the court found some difficulty in assigning the required time. It was finally

agreed that Friday and Saturday, March 18 and 19, should be given up to the hearing of counsel's argument. It is probable that Judge Morrow will take the case under advisement, and withhold his decision for a week or two.

Klondike Accident Risks.

Supt. Briggs of the Standard Life & Accident Insurance Co. is writing a good deal of the better class of Klondike and Alaska accident risks, through Cadman & Haight of San Francisco, and his agents at Portland, Tacoma and Seattle. The special policy covering this hazard was adopted by the Standard on the recommendation of Supt. Briggs. It is limited to \$2,000, with \$10 a week disability benefit. The premium is \$50.

Letter From the Interior.

BOURBON TP., COWPUNCH CO.,
March 4, 1898.

Editor Coast Review:

Being a country editor, and wholly ignorant of fire insurance, I have, naturally, an uncontrollable anxiety to address fire insurance men on that subject. The time seems most opportune, for the commissioner of insurance and the daily newspapers are ready to quote anything I may say.

Fire insurance is an arbitrary tax. The companies band together, and regardless of general or individual experience they tax us for nothing more tangible than a guarantee to replace any loss by fire. That is all. No wonder they cannot explain to those who complain.

The underwriters demand to be let alone in peace. There was once a man in our township who was so lazy that he threw himself down under an apple tree and said to himself, "There, darn ye, breathe if you want to; I shan't." But underwriters have a duty to perform. They must make rates as low as they are in New York.

The vagaries of the insurance fellows who apply this protective tax (not productive tax, whatever that may be) make me weary. In New York, which though 200 times larger than our metropolis, has only 100 times more steam fire engines, rates are only one-fourth what we have to pay. No wonder our California locals crease their trousers and smoke "bit" cigars. Mr. Atkins and Mr. Schmidt and Mr. Lafarge, neighbors of mine who have

lived abroad, tell me that rates are much lower in England, Germany and France than they are in Cowpunch county. Agents here get more for commission than the whole premium amounts to on the same kind of a risk (dwelling) in New York or London. Yet water is cheaper here than there. I tell you this difference in rates is outrageous! Don't tell me that these rates are made by experienced underwriters and are based on masses of statistics. It's all poppycock. That sort of knowledge is the pretentious arrogance of lazy minds that are stale. The farmers' mutuals have proved that the business needs no statistics.

The deep depths of the ignorance of practical experts can never be sounded. I was once a local agent, sir, myself—for all of Bourbon township. I wrote seven risks in one year and renewed them regularly without any trouble. While acting as agent I came in contact with these so-called experts. Their ignorance would make a heifer grin. They actually charge more for a farm dwelling than for one in town. They insisted on my paying an additional rate on my house because my carpenter-shop was contiguous, though I proved that no carpenter-shop has ever burned in Cowpunch county. They wrote neighbor Jones's house at a lower rate and it burned, and my house and shop are still standing. Talk about expert knowledge! Why some of these experts are too ignorant to know the difference between "peach and honey" and sod-corn juice.

Fire insurance being a tax, should be levied with the utmost uniformity. I have a plan which I intend to present at the next session of the legislature. It must be admitted that this tax is paid by the consumer. Then what can be simpler or more just than to fix a uniform premium, per capita, regardless of value. The legislature will fix a maximum rate. Every merchant will pay according to the number of his clerks, every manufacturer according to the number of his hands, every householder according to the number of inmates. I flatter myself that this is an original plan and I am sure it is perfectly just, since fire insurance is a tax paid by consumers.

I can see no justification for the penalizing of Cowpunch county with the burden of commercial rates. During the sixteen years ending 1895 the percentage of premiums that Cowpunch county paid on fifty millions of property—adding the amounts yearly covered for sixteen years, which is the correct way to

find the value of property, according to my methods—insured, averaged \$1.63 per \$100. It produced \$200,000 profit. During the same period Newark county, upon five hundred millions of property—determined in the same original fashion—paid an average premium percentage of 0.61, and earned \$160,000 profit. Is there appropriate fairness in a system that makes one-tenth earn one-fourth more profit than ten-tenths?

You may tell me that the rates in Cowpunch county are based on the average experience in similar counties, and also include conflagration hazards which do not exist in the older brick and stone built Newark county; that you have been lucky in Cowpunch county, principally in the largest town; that if rates are too high, many more companies would establish agencies in this county; that twenty companies whose business was confined to this county have failed. I scout at such logic! The agents are keeping rates too high for the sake of the commissions. Rates in Cowpunch county must come down. They must be based wholly on the experience in this county only.

What is fire insurance? The chief justice could not decide to save his life what it was; but he was sure it was not trade or commerce. For argument's sake I will concede that I know less than he does, but more than your experts. There is not a single theory of theirs that is not disproved every year. No conscientious agent will attempt to explain why rates are less in the city than in the country. The fact that the loss is greater, value for value, in the country than in the city, don't go with me. I want a better reason.

Expenses are too high in fire insurance. There is no good reason why they should average 34 per cent. and nearer 40 in Cowpunch county, while life insurance expenses average only from 12 to 15 per cent. Local fire agents should receive only a small renewal commission, as in life insurance—say $7\frac{1}{2}$ per cent.

Why should not the renewal of a house policy be rewarded by a stated rebate, and a "twist" be penalized? Why should fire policies command the original commission for renewal, when life policies command only one-tenth? You say the work is about as great to get a fire renewal as to get the original, and that while the average life premium is large the average fire premium is small, and further that the fire agent does a lot of work for the company and pays office rent and other expenses, whereas the life premium is renewed yearly through an agent covering an immensely greater territory, with far less

average expense. But all such arguments I dismiss with the convincing cry, Fudge!

The fire insurance average is obtained from human imagination. The "average" of which so much is spoken and written doubtless exists, perhaps, possibly, in the possession of that mysterious solitaire who understands the business. It is all tommy rot. My plan is simpler and more equitable.

Yours respectfully,

COL. ALSON OLD,

Blarney Stone P. O.,
Bourbon Tp.,

Cowpunch County.

London Fire Office Wildcat.

Inquiry is frequently made as to the standing of the London Fire Office, Ltd., of London, Eng. It purports to have a branch in the Ft. Dearborn building, Chicago. As to its standing. Well, if the policyholder has no loss, the policy of this company is about as good as any other. The assets of the London Fire are not very much in evidence. We can't find anybody who can point to anything but brass in its treasury.

Alliance Assurance Co. v. V. W. Gaskill et al.

Under the management of N. T. James, V. W. Gaskill was employed as the city agent of the Alliance, and the entire city business was turned over to him with the exception of that controlled by four of the office solicitors. Mr. Gaskill was furnished with office room, stationery, salaries for two clerks and a certain commission for paying brokerage and a monthly allowance for himself. Periodically a statement of account was to be made out, and if the total expense of the business was less than a certain percentage, Mr. Gaskill was to receive the difference between the expenses and such percentage. If the total expenses exceeded a certain maximum percentage of expense the Alliance had the option of terminating the agreement.

Mr. Gaskill left the service of the company and turned over the entire expirations to Messrs. Richards & Henry, city agents of other companies. The Alliance had no objection to Mr. Gaskill doing whatever he pleased with the expirations of his own direct business, but they believed it due to other companies, agents, brokers and others who placed business with the company, that the privacy of their expirations should be respected, and for the protection of those parties it commenced proceedings against Messrs. Gaskill, Richards & Henry in the superior court of the

State of California, to secure an injunction and prevent them from making what was considered an improper use of confidential information that belonged only to the company and parties placing risks with them.

The case was tried before Judge Belcher, who, in deciding in favor of the company, held that Gaskill was, in effect, a salaried agent; that the business coming through him to the company was, as between him and the company, the business of the company; that the turning over of the expirations to Richards & Henry was a breach of the confidential relation and the disclosure of information obtained during the existence of such relation, and that the use of these expirations should be enjoined. In harmony with these views, the court entered a decree perpetually restraining and enjoining defendants Gaskill and Richards & Henry, their agents, servants and employees, from in any wise using the expiration records, and appointing a receiver to take and hold possession thereof, subject to such further order as the court might thereafter find it proper to make.

Life Insurance Ought Not to Be Taxed At All.

Taxation ought to bear on the possession and use of property, and not upon the loss of property or upon the means by which such losses are distributed.

The only moral and humane theory of taxation is the collection of only such moneys as are necessary for the proper and legitimate expenditures of the state, from such sources—that is, from such persons owning such properties as ought to bear those expenditures and in the proportion in which they ought to bear them.

Under such a theory, no one would suggest a tax upon people's losses. These could be regarded neither as the proper subject matter of taxation nor as a humane basis of the distribution of tax burdens.

To illustrate:

No one would suggest that, because a man's house on which he has been paying taxes has been burned, he should at once pay a special tax on its value which he has just lost. Or, that a man's family should be taxed on the money value of his life to them, because he has died and they have lost that value.

Insurance is merely a method of distributing the property losses of those who have lost property among those who have not lost it. It is effected through contributions or payments, called premiums.

A's house, worth \$5,000, and on which he has paid taxes while it was in being, has burned. A has lost \$5,000. There is no restoring it. That property and its value are gone forever, not only to A, but to the whole world. To tax A on that lost would be an unspeakable inhumanity.

But A has insured against that loss—that is, he has agreed with other house owners to share their like losses, if they will assume his loss if it comes. While his house is unburnt, he, by his premiums, assumes his share of the losses of those whose houses burn meantime. When his house burns, they, by their premiums, take his loss on their shoulders and make it good to him. They lose it, instead of A, because, before that he had, through his premiums, been losing his share of their houses which had burnt.

Their assumption of the loss and giving A the money in place of his house hasn't restored the house. It hasn't changed the loss into gain, or into an even thing. The property is gone. The loss remains. It has merely been distributed. A is made whole, but the contributors to that result have taken the loss to themselves, and are just so much worse off. They have lost A's house. They have divided up the \$5,000 loss among them.

To tax A additionally on the \$5,000 because it was returned to him would be inhuman. It would be to make him lose something in spite of his own and others' efforts to avoid loss. It would be a loss created and inflicted by government on the occasion of his escaping from a greater loss. It would be a fine on him for not losing.

To tax the other men, who, by their premiums, have taken A's loss upon themselves and distributed it among themselves, is an equal inhumanity. They have made A's loss their own to save him. To tax them on their loss is an equal outrage to taxing A upon that same loss if it had remained on him.

It is taxing a loss and it is a fine, a punishment upon men for so sharing each other's losses that it becomes possible for them to be borne. The group of men forming a mutual insurance company can together bear losses which would crush and destroy the individual. But it is as inhuman and tyrannous to tax the losses of the group as to tax those of the individual which he would have to bear, but for the action of the group.

The only element in the transaction that suggests taxation of these losses, either to the individual or to the group or mutual company, is the fact that it requires the use of

money to adjust them, and that the money is brought into sight, in the hand of the adjusting association or corporation, and in easy reach of the taxgatherer and so becomes a temptation to ignore the true nature of the fund, which is simply the collective losses of the group or company, thereby relieving the individual calamities of its members.

Life insurance differs from fire insurance only in the subject matter of the loss. Instead of a man's losing his house, or other perishable property, his family loses the money value, the earning and producing capacity of his life. His life, its money value, what it will do for them, what it will earn, is just as much property, and their property, their financial dependence, as is the house; and the loss of that life is just as much a property loss to them as that of his house is to him.

For example: if a man, age thirty, is earning \$1,000 a year for his family, taking his chances of life according to the actuaries' table, and assuming money to be worth four per cent., the present value of his life in money to his family is \$17,000. That is their actual money property in his life. That is the money they lose if he dies.

If, when he dies, the state should openly tax that family on that loss, on that amount, the world would stand aghast. Such a government could not live, for no one would live under it.

Life insurance is simply the distribution of the loss of family property in the lives of husbands and fathers. The father, while he lives, by his yearly premiums, assumes his share of the loss of those families whose heads have died during the year. All the fathers who have associated themselves with him do the same thing. They, by their premiums, take each family's loss as it occurs over upon themselves and divide it among themselves. They lose the money value of the man's life, instead of his family: The family is not financially crushed, for these men have taken the burden from it. They are not crushed, for they are many and have divided the burden, and the losses do not come all at once. But these men have lost the money value of that life just as truly as the family would have lost it if these men had not assumed and divided it among themselves.

To tax them as a group or company upon the loss they have thus assumed and suffered is as abhorrent to justice and humanity as it would be to leave the loss on the family and then tax the family on that loss.

The division of the tax among these men

does not alter its unjust quality. It simply reduces the tax which any one man has to pay on any one loss. He doesn't have to pay the whole of the tax any more than he has to pay the whole of the loss. But the portion which he does pay is a tax on a loss which he has suffered by helping others to bear it, and in proportion as he has suffered it, just as much as if he had borne the whole loss and paid the whole tax on that loss.

To summarize: A tax in any form upon a mutual insurance company is a tax on its members individually and is paid, and must be paid, only by them, out of their premiums, so much reducing the surplus to be returned and so much increasing, consequently, the yearly cost of their policies. It is not a tax on their property but upon their losses, and is laid upon the money which is the distributive share of each member in those losses as it passes through the hands of the company to make good the original sufferer.

The remedy for this matter lies with the policyholders themselves. They should make the immorality and inhumanity of such taxes clear to those whom they send to their legislatures.—*Jacob L. Greene.*

Red-gum Columns in the Melbourne Fire.

When the plans of a Melbourne building were prepared for the erection of the building expert opinion was taken, and as a result red-gum columns and wooden beams were every where substituted for the cast-iron columns and rolled iron joists which have been so extensively used of late. The practical test of this fire of February 8 proved the wisdom of this step, for the charred and blackened timbers still stand, where iron columns would have snapped off and iron girders assumed a serpentine form, at the same time tearing down the walls, and creating endless havoc.

The polar aurora—the aurora borealis and the aurora australis—are much higher than they seem. Northern explorers have sometimes referred to the aurora as seemingly almost within reach. But this strange light, which is self-caused and not “polarized” or reflected, is at the lowest elevation seventy miles from the earth's surface and is often not less than 900 miles high. But this great height is nothing compared with the cool elevation of the folly of the young man who refuses to insure his life while he can at the lowest rate of premium.

The Pacific Surety Company.

A PROSPEROUS AND GROWING COAST ENTERPRISE.

Since organized the Pacific Surety Company, of San Francisco, has paid forty-three consecutive dividends of \$2,000 each, and has meantime accumulated a handsome surplus. Results such as these demonstrate good management of the company's affairs.

The Pacific Surety includes among its directors and stockholders a number of the leading business men and capitalists of San Francisco, and it commands much of the most desirable surety business written on the Coast. The company's indemnity is recognized as first-class, not only because of its large percentage of surplus funds, but because of the known integrity and ability of the conservative management.

The Pacific Surety added to its assets and increased its surplus last year, after meeting all obligations and paying the usual dividends. All of its resources are virtually surplus as regards policyholders.

The Pacific Surety writes guarantee and casualty business. Bonds of suretyship are issued on behalf of persons holding positions of trust, and for court proceedings; and steam-boiler and plate-glass insurance is also written. The company has fine offices in the Safe Deposit Building.

Wallace Everson, the organizer, is president; John Bermingham is vice-president, and A. P. Redding is secretary. The directors are other well-known business men, to wit: Geo. C. Perkins, James Moffit, H. S. Crocker, J. L. Moody, Albert Miller, Wm. Clift, H. L. Davis and J. L. N. Shepard.

“MILLIONS for defense, but not one cent for tribute.” This is good American (*Jeffersonian*) doctrine.

Chips.

—Half the accidents to persons, according to figures that do not lie, are caused by falls in the street. Moral: hire a carriage.

—Dr. Clunes, medical director of the Pacific Mutual Life, has gone to Honolulu on a pleasure trip.

—Paul B. Gaylord, a prominent insurance agent of Denver, Colorado, was in this city early in March.

—E. T. Niebling, of the Commercial Union and the Alliance, is in Honolulu looking after the interests of his companies.

—A. F. Gartner, for many years special in the Pacific Northwest for the Phoenix and Home, is spending a few months assisting General Agent A. E. Magill in the San Francisco office of the companies.

—On the 8th inst. the National Surety Company declared a dividend of 5 per cent upon its capital stock for 1897, and carried forward to the next year's account undivided profits amounting to over \$15,000. As the company has only been in existence six months, this dividend is equal to 10 per cent per annum on the capital stock.

—EIGHT YEARS SENTENCE.—T. F. A. Skidmore, a young insurance agent at San Luis Obispo, Cal., arrested upon the complaint of Mike Righetti of Cayucos, pleaded guilty to the charge of obtaining property under false pretenses. The court said the crime was very serious and bore evidence of premeditation. Skidmore was sentenced to eight years in the penitentiary.

—Edw. G. Sprowl, special agent Liverpool & London & Globe in the Pacific Northwest, visited his friends in 'Frisco recently. Mr. Sprowl considers himself "of age" in the service of the L. & L. & G., having celebrated his 21st anniversary in the employ of his company on January 21st of this year. He has been special agent for the past eight years. Previous to his appointment as special he occupied various positions in the San Francisco office of the company.

—Col. Alson Old, a distinguished journalist of one of our interior counties, writes us a letter which it seems only fair we should publish. The colonel is a brilliant journalist who is always entertaining. In his letter he presents views of fire underwriting which have not hitherto occurred to practical fire underwriters, but which must be read with the respect due their source. Experts need to have their vanity ruffled occasionally, and Col. Old is just the man to take the conceit out of them.

—Manager Rudolph Herold of the Hamburg-Bremen is now one of San Francisco's harbor commissioners.

—Fire losses are increasing over all the country, as compared with January and February losses last year.

—STOCKTON, CAL.—Oullahan & Adams have been appointed agents of the Equitable Life, vice W. C. Pyfer.

—H. B. Houghton, supt. of agencies for Pacific division of Etna Life, has been visiting his agents in southern California. He reports business in both the life and accident branches good.

—W. A. Jacobs has been confined to his house for weeks with the grippe, followed by pneumonia. He was dangerously ill, but is improving. Mr. Jacobs will go to Honolulu to recuperate as soon as he is able to get out.

—Nebraska's supreme court has forbidden the insurance commissioner from collecting fees; but he is said to have evened up things by refusing to admit any company until it has been "examined" by him. Cheaper to pay fees.

—Manager Harmon of the Connecticut Mutual Life has appointed C. H. Anderson of Helena agent for the company in Montana. Mr. Anderson goes out of the fire business to accept the State agency of this great life insurance company.

—The Russian government and the Kansas government are about to engage in the several branches of the insurance business, to the exclusion of all private enterprise. Each country has a czar and an autocratic form of government.

—We print a number of extracts from the valuable papers read at the recent meeting of the Fire Underwriters Association of the Pacific. Next month we shall print some more; but meantime the reader should send a half a dollar to Secretary Meade for a copy of the Proceedings, which will be out in a few days.

—The supreme court of South Dakota has sustained the governor in dismissing the populist insurance commissioner for abuse of the authority of his office. The commissioner had been bleeding the insurance companies and vexing them with frivolous and technical rulings. The governor of South Dakota, who by the way is a populist too, seems to be the right sort of a governor.

—C. R. Mayhew, a well known Red Bluff agent, is in town.

—H. M. Shreve, a representative agent of Tulare, is visiting the city.

—DENVER.—The Home Mutual Fire of Colorado has gone out of business.

—William J. Dingee succeeds A. L. Stone as agent of the Imperial and Lion at Oakland.

—H. E. Owen, formerly of Butte, Montana, called upon his old friends before leaving for sunny southern California.

—D. W. Pierce of Santa Barbara, Cal., has disposed of his business to Messrs. Johnson & Smith, and accepted the position of special agent for the Lancashire for southern California.

—President Stevens of the New England Mutual Life Insurance Company is stopping at the Palace Hotel. Mr. Stevens is making his annual spring visit to this State, preferring our March and April climate to that of Boston.

—The California life figures, covering several years, printed elsewhere, include also, at the left, assets and surplus and in force figures—the latest at hand. Two or three companies' annual figures for January 1 have not yet been received.

—Manager Thos. Godwin of the Preferred Accident is at present in the Northwest, looking after the interests of his company in that field. W. L. Knowlton, general agent at Seattle, died recently, and Mr. Godwin goes principally to put the agency affairs in order, and to arrange for its reorganization. Mr. Knowlton was a young man who knew the accident insurance business thoroughly, and who was a business producer of merit. In him the Coast department has lost a valuable agent.

—The *Morning War Cry* of San Francisco is dividing its space between the fire underwriters and Spain. Recently it said, editorially: "Injunction suits are good in their way, but they have not the instructive value of an insurance manager in stripes." This sentiment has a "long green" tinge. The daily *War Cry* is also booming its attorney, the commissioner of insurance, for some office—some say a State office, and others say city assessor. Another daily of opposite politics is lending a cheerful hand to help the commissioner to attain his political ambition. If the commissioner should resign his present office we fear the blow would almost kill father.

—The Liverpool & London & Globe leads in New York city premiums for the last half of '97, with \$155,079.

—A. K. P. Harmon, district supt. Conn. Mutual Life Ins. Co., is in the Northwest looking after the agencies of the companies at Portland, Spokane and Seattle.

—Pittsburg has had another million-dollar fire. Conflagration losses have been abnormal in that city. It is just as well to bear in mind the fact that it may be San Francisco's turn next.

—State insurance departments should pay for all examinations out of their own funds. Then there would be no "raids" and "hold-ups," such as the recent farcical examinations by populist insurance departments.

—Autocrat McNall says the companies must do their Kansas advertising in populist papers only, and through an agent appointed by him. It is strange indeed that self-respecting companies remain in Kansas while the populist despots are in power.

—MERCHANTS OF NEWARK.—The annual statement of this conservative New Jersey company gives the following totals for January 1: Assets, \$1,640,415; net surplus, \$391,251; policyholders' surplus, \$791,251; reinsurance reserve fund, \$722,875; premiums, \$936,716. The Merchants has had a profitable year. It has made large gains in assets, surplus and premiums, and with a loss ratio of only 47 per cent. it has increased its underwriting profit. The company has a handsome net surplus and offers first-rate indemnity to policyholders. In this field G. W. McNear is general agent, with Willard O. Wayman as manager.

—The Mutual Fire Association of San Luis Obispo county, Cal., held its first annual meeting a few days ago, and elected new officers as follows: W. L. Mecum, secretary; Geo. W. Hearst, vice-president; A. F. Horstman, president. The directors are agreeably surprised to find their first year's loss experience light, and they flatter themselves that a whole year's experience will enable them to reduce the loss ratio next year, and lower it again in the following year. Some "very important business" was transacted in secret executive session, but a vigilant correspondent of the *Coast Review* is of opinion, from words dropped, that the committee is considering a proposition to invite either the insurance commissioner or the *Insurance Herald* to make rates for the association.

—Chief Bonner says there are no fire-proof buildings in New York.

—Only the best people insure their lives. They are the true aristocrats.

—Twenty-five agencies shared in the \$210,000 line on Salt Lake school-houses.

—The A. O. U. W. grand lodge in Michigan has adopted the graded assessment plan.

—Manager Pratt of the Union Central Life has appointed F. E. Walts of Reno, Nevada, State Agent for his company.

—Assistant Manager Fred Stolp of the National Life is spending a few weeks with his agents in southern California.

—Special Agent A. E. Bailey of the Insurance Company of North America, with headquarters at Seattle, visited California early in the month.

—Alfred Stillman, secretary of the executive committee of the Board of Underwriters, is spending a few weeks in southern California. Since the organization of the Board, Mr. Stillman has been a hard-worked man, and it became necessary to take a vacation on account of his health.

—BRITISH AMERICA ASSURANCE COMPANY.—The 64th annual report of the British America Assurance Company shows the business of 1897 to have been exceptionally favorable. The fire losses, including those under adjustment, amounted to \$635,036, the fire premiums being \$1,307,725, making the loss ratio 50.85. The marine losses, also including those under adjustment, were \$198,832, and the marine premiums, \$252,148, the loss ratio on this branch being 78.80 per cent. The reserve fund has been increased from \$328,883 to \$591,364. The British America has secured public confidence both in Canada and the United States to a very high degree. It enjoys the services of Mr. J. J. Kenny, vice-president, who is recognized, occupying a prominent position, as one of the most sagacious and judicious of underwriters. Mr. Sims, the secretary of the company, has also a high reputation for skill, energy, and other business qualifications. The president, the Hon. G. A. Cox, is admitted by one of the soundest financiers of the Dominion, and is well-known to give such personal attention to the affairs of those companies with which he is officially associated, as is to them, and to the staff, a source of protection and strength.—*Insurance & Finance Chronicle*, Montreal.

—The New York Underwriters Agency's policy form in Illinois has been sustained by the courts.

—Superintendent of agencies of the Milwaukee Mechanics Ins. Co., Mr. Mansfield, accompanied by Mrs. Mansfield, is spending a few weeks in California.

—The London Guarantee & Accident Company has withdrawn from Utah, and rumor has it that the company will at an early day withdraw from all the Pacific States and Territories.

—The Broadway of New York seems always in hot water. Last year its net surplus dropped to \$24,165, too small a sum to save the concern from dissolution in case of further trouble.

—The members of the Mutual Reserve Fund are trying to find out how it happens that half-price insurance costs twice as much as the association said it would, without any more assurance that any other promise will be kept.

—It is not denied that the Mutual Reserve Fund pays its president a salary of \$100,000. If he saves the association from the rocks, he will have earned his big salary as pilot. The temperature indicates icebergs just ahead.

—The Greenwich has withdrawn from Kansas too. The Franklin has told Crank McNall it's none of his business what salaries the company pays, and the madman will probably refuse it a license. The Hamburg-Bremen, Pacific Mutual and Aetna Life are among the latest to incur his displeasure. Better withdraw from Kansas while McNall rules and ruins.

—A Detroit paper asks, What becomes of ex-insurance commissioners? They are simply *x*—an unknown quantity. The decent sort—those who are not merely politicians—drift into more useful employment. Some of the brighter ones are offered and accept insurance positions. It is noteworthy that none of them has ever again been heard of in politics.

—The careful system prevailing in the tight little, right little merrie England was illustrated to us in an amusing way recently. We presented an English subscriber with our chart, but it appears that the postage was insufficient to the extent of a half-penny. The recipient immediately notified us, at an expense of five cents, that we had caused him to needlessly pay a half-penny.

—The Pacific Mutual Life has entered Georgia.

—Frank E. Hartigan now represents the Equitable Life in Chicago.

—The Cosmopolitan Fire of New York has been organized by Hamburg-Bremen people.

—New insurance journals are sure of a large circulation—if all the others will exchange.

—W. R. Williams of Ogden places us under obligations for a copy of our "short" August *Coast Review*.

—Managers Watt and Driffield have been spending a few weeks with their southern California agents.

—Clarence E. Secor, manager of the Bankers Life of St. Paul, accompanied by Mrs. Secor, has been spending a few weeks in California.

—The *Insurance Law Journal* for February contains in full: Utah, Stevens v. Union Assurance; Washington, Pioneer Savings v. Providence-Washington; Utah, Jones v. New York Life.

—In the Betts v. Aetna Life case the plaintiff's demurrers were sustained by Judge Shumway of the Hartford superior court last week. First blood for the Connecticut commissioner.

—CUP WINNERS—The "president's cup" has been recently won by the following agents of the Mutual Life: New Mexico, W. G. Ogle; Washington, Wm. H. Shields, Spokane; California, Herbert Aubrey Chapman, San Francisco.

—Managers Voss, Conrad & Co. have appointed Philip Bolger as superintendent of the liability department of their office. Mr. Bolger is an experienced man in that line, and will doubtless prove to be the right man in the right place.

—Some of the San Francisco dailies have exhibited a spirit not unfriendly to insurance interests, in the Clunie controversy—and some of them have not. It would be well to discriminate intelligently in the distribution of advertising favors. That is only fair.

—The second international congress of actuaries will be held in London in May. Among the vice-presidents will be two members of the British cabinet. The proceedings will be published at the rate of \$5 per copy. Orders should be sent to Treasurer John Tatlock, 32 Nassau street, New York.

52d

ANNUAL STATEMENT

OF THE

Connecticut Mutual

LIFE INSURANCE CO.

OF HARTFORD, CONN.

NET ASSETS, January 1, 1897 \$60,981,671 61

RECEIVED IN 1897.

For Premiums	\$4,743,410 04
For Interests and Rents . . .	3,153,044 47
Profit and Loss	65,289 82
	<hr/>
	\$7,961,744 33
	<hr/>
	\$68,943,415 94

DISBURSED IN 1897.

For claims by death and matured endowments	\$4,456,832 23
Surplus returned to policy-holders	1,284,481 48
Lapsed and Surrendered Policies	596,133 76
TOTAL TO POLICY-HOLDERS	<hr/>
	\$6,337,447 47
Commissions to Agents, Salaries, Medical Examiners' fees, Printing, Advertising, Legal, Real Estate, and all other Expenses	850,479 66
TAXES	346,938 43
	<hr/>
	7,534,865 56
	<hr/>
BALANCE NET ASSETS, Dec. 31, 1897	\$61,408,550 38

SCHEDULE OF ASSETS.

Loans upon Real Estate, first lien	\$33,045,673 68
Loans upon Stocks and Bonds	2,300 00
Premium Notes on Policies in force	983,315 72
Cost of Real Estate owned by the Company	9,840,914 84
Cost of Bonds	15,924,674 25
Cost of Bank and Railroad Stock	473,504 16
Cash in Banks	1,135,965 53
Bills Receivable	4,619 17
	<hr/>
	\$61,410,967 35
Less Agents' Credit Balances	2,416 97
	<hr/>
	\$61,408,550 38

ADD

Interest due and accrued	\$1,029,649 71
Rents due and accrued	15,962 49
Market value of stocks and bonds over cost	771,770 27
Net uncollected and deferred premiums	362,728 13
	<hr/>
	\$2,180,110 60

GROSS ASSETS, December 31, 1896 \$63,588,660 98

LIABILITIES:

Amount required to re-insure all outstanding Policies, net Company's standard	\$54,924,070 00
All other liabilities	1,303,654 97
	<hr/>
	\$56,227,724 97

SURPLUS \$7,360,836 01

Ratio of expenses of management to receipts in 1897	10.68 per cent.
Policies in force December 31, 1897, 66,705.	
Insuring	\$157,701,387 00

JACOB L. GREENE, President; JOHN M. TAYLOR, Vice-President; EDWARD M. BUNCE, Secretary; DANIEL H. WELLS, Actuary.

A. K. P. HARMON, Jr., District Supt.

F. R. NOYES, General Agent

MILLS BUILDING, SAN FRANCISCO

—The general use of electricity for lighting seems to have reduced fire losses in cities. Anyway, they have been reduced.

—The *Century* for February contains an account of the thrilling rescue by Serg. Vaughan, of the New York fire patrol, in an article on heroes who fight fire. The picture of the brave patrolman and an account of the heroic act appeared in the *Coast Review* at the time.

—The first chart of the season is the *Standard's*—a large affair, with varied contents. Casualty figures are included. We note that the Liverpool & London & Globe leads all companies in gross fire risks in force, with \$869,435,527. American stock companies' premiums last year were \$105,990,873, with only 51 per cent. loss ratio; foreign companies' premiums, \$44,946,812, with 50 per cent loss ratio.

—A recent writer on the electrical fire hazard says: "The greatest appreciation is due to the early action taken by the *Phoenix* Fire Office in formulating in 1882 the first of such rules, which have been of enormous value both to the fire offices generally, and to the users of electrical energy, and which have in their unique and practical excellence formed the basis of all other subsequent rules."

—The amount written by the Mutual Reserve Fund last year was \$56,234,785, a falling-off of nearly \$17,000,000. The amount in force, \$301,537,101, is a decline of nearly \$24,000,000. Expenditures increased \$173,278. Assets fell off some \$357,000. It looks very much as if the association had passed the top of the hill and begun the descent. If so, a terrible crash is near, and all the increased rates can't prevent a hard collision with an abnormal death rate.

—CHICAGO.—That there are some exceedingly embarrassing complications in the fire underwriting situation in Chicago everybody understands perfectly well. With these complications the Chicago Underwriters' Association finds itself confronted, not as a theory but as a concrete condition. The limited agency question, closely related to the "annex" question, is waiting for solution, with diametrically opposing interests, each influential in the association, clamoring for recognition. How to aim the regulation gun so as to hit the game if it proves to be a deer and miss it if it turns out to be a calf is the perplexing problem for the gunners. Meanwhile, the charges are freely made that while the little fish are caught in the net of board regulations governing commissions the big fish escape.—*The Argus*.

THIRTY-FIRST ANNUAL STATEMENT OF THE

Union Central Life INSURANCE COMPANY OF CINCINNATI, O.

For the Year Ending December 31, 1897

Assets.	
Cash on hand and in banks. \$	296,937 96
First Mortgage Loans on Real Estate	13,455,354 49
Home Office and other Real Estate.	630,179 98
Cash Loans on Company's Policies.	1,998,996 39
United States Bonds — market value	374,030 75
Premium Notes and Loans on Policies in force	916,650 67
Agents' Balances and Cash Obligations.	263,952 18
Net Deferred and Unreported Premiums.	239,196 85
Interest and Rents due and accrued	529,531 04
Gross Assets Dec. 31, 1897	\$18,705,130 31

Liabilities.	
Reserve Fund, at 4 per cent, and all other Obligations	\$16,093,759 40
Gross Surplus 4 per cent. Actuaries	\$2,611,370 91

Receipts.	
Premiums	\$3,637,450 25
Interest and Rents	1,123,262 05
	\$4,760,712 30

Disbursements.	
Death Claims, Matured Endowments, Dividends, and all other payments to Policy-holders	\$1,493,109 00
Commissions, Taxes, and all other disbursements	1,191,196 39
	\$2,684,305 39

Policy Account.	
Total number of Policies in force	58,580
Total Amount Insured	\$106,517,344 00
Policies Issued and Revived in 1897	15,803, Insuring
	\$35,927,324 00

Gains in 1897.	
Gain in Income	\$ 445,021 34
Gain in Interest Receipts	133,737 47
Gain in Surplus	311,190 49
Gain in Membership	5,625
Gain in Assets	2,175,269 54
Gain in Amount of Insurance	12,619,129 00
Gain in Amount of New Business Written	5,740,112 00

OFFICERS	
JOHN M. PATTISON, President	
R. S. RUST, Vice-President	
E. F. MARSHALL, Secretary and Actuary	

G. C. PRATT, Manager	
Pacific Coast Department	
405 MONTGOMERY ST.	SAN FRANCISCO

—The Bankers & Merchants Life Association of Chicago offers its policy to publishers in exchange for advertising space, salable to any out-of-town advertiser. Publishers selling their space this way would be paid about the right price.

—The sturdy Metropolitan Life was not awed by the Kansas autocrat. It sued his bondsmen for damages, and won in the courts on a claim which the insurance superintendent said should be paid. A license has since been granted, and the suit for damages has consequently been withdrawn.

—Yellow journals everywhere calumniate insurance companies and insurance men, and smite them on the other cheek; but when it is time to print the annual statement, you will probably find it in one of these same rabble-read yellow champions of error and indecency. Memory is treacherous.

—The corner-stone of the Royal's new office building in Liverpool was laid last month. Up to a height of thirty feet the walls are to be of granite. The superstructure will be of white stone, roofed with green slates. The inner frame work will be of steel. The building will be 52 x 220 feet, with gables 110 feet from pavement, and with towers.

—Our American populist legislators and insurance commissioners might learn a thing or two about taxing the wicked corporations if they'd brave small-pox and yellow fever and run down to Havana. The Spaniard tax-eater is most ingenious in Cuba. For example: All legal documents must be made out on official paper costing from five to fifteen cents a sheet; and signs must pay a tax of so much per letter.

—Our non-board contemporary, published in Louisville, has discovered the existence of "patroleum [sic] in the city of Los Angeles." The experienced underwriter who elicits that paper, after finding "underwriters who contemplate with fear" the possibility of an oil conflagration, "asserts" that "there should be added to the rate on all west-side property 50 cents or one per cent. for this oil hazard." This friendly advice from an editor who recently declared that rates are too high in California, quite overcomes us. The gloom over the commissioner's ten-pin political strike when he bowls the Board out will be lightened by the reflection that the editor of the *Insurance Herald* may be persuaded to furnish adequate rates for Coast underwriters.

1898

53d Annual Statement

OF THE

Mutual Benefit Life Insurance Co.,

NEWARK, N. J.

AMZI DODD, President.

Receipts in 1897

Received for Premiums	\$8,606,191 31
Received for Interest and Rents	3,227,927 81
	\$11,834,119 12
Balance January 1st, 1897	58,386,204 22
Total	\$70,220,323 34

Expenditures in 1897.

Claims by Death	\$3,696,734 41
Endowments and Annuities	284,956 04
Surrendered Policies	1,681,637 71
Dividends or Return Premiums	1,671,019 86
(Paid Policyholders, \$7,334,348 02.)	
Taxes	283,769 89
Expenses, including Agents' Commissions, Advertising, Salaries, &c.	1,346,792 65
Profit and Loss Account, including Premiums on Bonds Purchased, and \$100,000 charged off from Real Estate to cover possible depreciation	158,588 46
	\$9,123,499 02
Balance January 1st, 1898	61,096,824 32

Total \$70,220,323 34

Assets January 1st, 1898.

Cash on hand and in Banks	\$ 831,139 45
Loans on Collateral, U. S. Bonds and other Securities	2,959,500 00
United States and other Bonds, par	12,122,217 43
First Bonds and Mortgages on Real Estate	33,196,712 05
Real Estate	2,654,947 79
Loans on Policies in Force	9,318,303 20
Agents' Balances and Cash Obligations	14,004 40
	\$61,096,824 32

Interest due and accrued	\$1,200,970 93
Net deferred and unreported Premiums on Policies in force	727,176 96
	1,928,147 89

Total \$63,024,972 21

Liabilities.

Reserve Fund, 4 per cent	\$58,048,034 00
Policy Claims in process of adjustment	252,276 70
Present value of \$34,550, hereafter payable on Matured Instalment Bonds	25,873 36
Allowance for unrepresented and Contingent Claims	160,000 00
Dividends due and unpaid	353,153 65
Premiums paid in advance	25,486 89
	58,864,824 60

Surplus \$4,160,147 61

Surplus by Legal Standard of N. J., N. Y., etc., based on Market Value of Assets and 4 per cent Reserve	\$4,784,925 24
Policies issued and revived in 1897, 15,149, insuring \$34,616,016.	
Policies in force January 1st, 1898, 92,738, insuring \$234,496,688.	

JAMES MUNSELL, JR., Manager
415 Montgomery St., San Francisco

—"Life companies not complying with my requirements as to salaries by whatever date I set in March will not be allowed to do business in Kansas."—Supt. McNall.—The superintendent, it is understood, will soon issue an order refusing to license solicitors that admit having their boots polished more than once a month.

—"Sound and Progressive." This is the title of an article in *Sunshine* just a year ago. The article begins with "There is nothing wild-cat nowadays in Southern [with a capital S] California. The adventurers have gone [to Denver?]." Then the writer goes on to tell about the size and strength and superiority of the Bankers Alliance, whose founders "were bankers of high standing." "The names of the managers," too, "stand for integrity and responsibility." The State insurance department also endorsed it. Can it be possible that so "safe" and "responsible" company failed in less than twelve months thereafter? Ask the claimants who hold \$120,000 unpaid claims.

—There exists a good opportunity just now for a good American company to combine forces on the Coast with a well established British office.

The.....Merchants Insurance Company OF NEWARK, N. J. ORGANIZED 1858

Cash Capital	\$ 400,000
Assets	1,640,415
Surplus to Policyholders	791,251

GEO. W. MCNEAR
General Agent.

WILLARD O. WAYMAN	-	-	Manager
R. M. BUCKMAN	-	-	Special Agent
for the Pacific Coast			

Offices:—308 SANSOME STREET—San Francisco

AMERICAN
INSURANCE COMPANY
OF BOSTON, MASS.
Organized 1818.

Capital,	\$300,000 00
Assets,	624,262 13
Surplus to Policyholders	451,611 81

MERCANTILE
FIRE AND MARINE INS. CO.
OF BOSTON, MASS.
Organized 1823.

Capital,	\$400,000 00
Assets,	639,716 71
Surplus to Policyholders	475,182 50

BAGGS & STOVEL, General Agents,
213 Sansome Street, : San Francisco.

THE PENN MUTUAL LIFE INSURANCE CO. . . . OF PHILADELPHIA . . .

Organized 1847. Purely Mutual. Admitted Assets, \$29,405,529.08

ONE OF THE OLDEST, STRONGEST AND BEST

The most attractive canvassing document in the field is the lithographic fac-simile of our New Policy. It shows in plain figures for each year and any age, the Guaranteed Cash or Loan Values, the Paid up Insurance and term of Automatic Extension.

Understood at a glance and easy to sell.

WHY NOT GIVE YOURSELF THIS ADVANTAGE?

Let us send you an Illustrated Policy made out at your age.
To reliable agents the most liberal contracts and desirable territory can be given. Address,

SHERMAN & HARMON, General Agents,
North Pacific Department, 727, 728 and 729 Marquam Building, Portland, Ore.

Pacific Coast Fire Insurance Losses in 1897: by States.

MONTHS.	SAN FRANCISCO.	CALIFORNIA, EXCEPT SAN FRANCISCO.	CALIFORNIA, TOTAL.	OREGON.	WASHINGTON.	IDAHO.	MONTANA.	NEVADA.	UTAH.	ARIZONA.	COLORADO.	TOTAL 1897.	TOTAL 1896.
January.	\$ 25,850	\$ 100,267	\$ 126,117	\$ 25,584	\$ 25,468	\$ 3,809	\$ 14,075	\$ 326	\$ 6,207	\$ 1,680	\$ 3,727	\$ 218,871	\$ 230,220
February.	30,436	150,548	180,984	10,272	20,311	21,526	25,966	1,936	84,667	574	3,007	358,603	276,403
March.	45,651	290,167	335,818	17,982	21,730	1,823	31,606	2,432	4,220	2,803	5,809	429,420	356,554
April.	13,200	107,252	120,452	11,344	25,610	15,631	8,152	. . .	3,523	2,304	7,616	196,917	365,936
May.	119,492	149,021	268,513	16,247	27,356	3,967	11,779	15	3,865	2,141	9,719	340,911	385,446
June.	108,232	163,485	271,717	47,125	21,860	3,832	14,897	6,656	11,736	1,215	14,750	407,120	466,854
First Six months '97 . . .	\$ 342,861	\$ 960,740	\$ 1,303,601	\$ 128,554	\$ 142,335	\$ 50,588	\$ 106,475	\$ 11,365	\$ 114,218	\$ 10,717	\$ 44,628	\$ 1,951,842	\$ 2,021,413
" " " '96 . . .	411,808	802,009	1,198,817	160,914	186,263	112,704	71,675	5,062	36,366	16,692	183,403	. . . . .	. . . . .
July.	\$ 122,782	\$ 148,535	\$ 271,317	\$ 59,254	\$ 38,555	\$ 23,434	\$ 18,101	\$ 7,900	\$ 5,296	\$ 327	\$ 16,853	\$ 439,113	\$ 619,166
August.	24,627	184,539	209,166	59,204	71,546	5,117	7,784	9,149	16,682	768	13,639	385,921	403,357
September.	17,970	320,743	338,713	66,241	31,309	3,620	45,203	9	4,162	28,703	5,850	543,050	339,267
October.	21,792	149,322	170,114	50,288	36,912	6,750	35,292	50	8,250	7,331	5,361	321,881	427,604
November.	46,803	102,100	146,903	8,909	34,416	39,055	12,537	201	9,264	4,751	7,096	273,069	263,925
December.	18,654	158,179	176,833	21,561	22,498	6,178	5,818	. . .	6,581	15,417	16,565	273,453	283,031
Last Six months '97 . . .	\$ 252,628	\$ 1,063,418	\$ 1,316,046	\$ 256,457	\$ 235,236	\$ 84,154	\$ 124,735	\$ 17,309	\$ 90,235	\$ 57,297	\$ 65,364	\$ 2,236,487	
" " " '96 . . .	367,862	1,031,487	1,382,700	245,778	214,758	44,294	96,349	11,898	62,638	52,555	80,391	. . . . .	\$ 2,336,350
Total, 1897	\$ 595,489	\$ 2,024,158	\$ 2,619,647	\$ 385,001	\$ 377,571	\$ 134,742	\$ 231,210	\$ 28,674	\$ 164,453	\$ 68,014	\$ 100,992	\$ 4,188,329	
Total, 1896	779,670	1,801,847	2,581,517	406,692	401,021	156,998	168,024	16,960	99,004	69,247	263,794	. . . . .	\$ 4,357,763

§ Through San Francisco agencies. * Totals include small losses in outside territory, as New Mexico, British Columbia, etc.

ORGANIZED 1880

The Bankers Life Association

OF ST. PAUL, MINN.

Statement January 1st, 1898.

ASSETS.

United States Registered Bonds (Market Value)	\$649,600 00
Guaranty Notes not yet due on policies in force	71,982 84
Loans Secured by Collateral	40,000 00
Cash in Merchants National Bank, St. Paul	47,875 01
Cash in National German American Bank, St. Paul	37,021 43
Cash in First National Bank, St. Paul	16,352 70
Special Deposit in St. Louis National Bank, St. Louis, Mo.	1,000 00
Cash in Office	119 95
Accrued Interest not yet due	1,848 75

TOTAL ASSETS \$865,800 68

Death Losses Due and Unpaid NONE.

Cost, the Lowest Consistent with Absolute Security.

ASSETS.

31st December, 1890, were	\$271,436 28
31st " 1891, "	356,821 97
31st " 1892, "	529,138 99
31st " 1893, "	567,942 63
31st " 1894, "	619,751 52
31st " 1895, "	672,073 01
31st " 1896, "	766,641 43
31st " 1897, "	865,800 68

NOTE.—This is a strong financial showing, and places the BANKERS LIFE above the largest Natural Premium Companies in the country on the basis of ASSETS TO AMOUNT AT RISK.

CLARENCE E. SECOR, Manager.

FINANCIAL STANDING, JAN. 1, 1898,

OF THE

Philadelphia Underwriters

COMPOSED OF THE

Insurance Co. of North America

FOUNDED, A. D. 1792

CASH CAPITAL	\$ 3,000,000 00
Total Assets	10,057,221 00
Total Liabilities, except Capital	4,454,624 00
Surplus as to Policyholders	\$5,602,597 00

Fire Association of Philadelphia

FOUNDED, A. D. 1817

CASH CAPITAL	\$ 500,000 00
Total Assets	6,239,335 00
Total Liabilities, except Capital	4,427,387 00
Surplus as to Policyholders	\$1,811,947 00

COMBINED ASSETS, - - - - \$16,296,556 00

SURPLUS TO POLICYHOLDERS, - - \$ 7,414,544 00

WESTERN AND PACIFIC COAST DEPARTMENT

CHICAGO, ILLINOIS

{ W. H. CUNNINGHAM, Manager

{ HENRY W. BUSH, Ass't Managers

{ J. M. BECK,

GEO. E. FAW, State Agent for California, Arizona, Nevada and the Hawaiian Islands.

JOHN D. RICHARDS, Manager City Department,

219 SANSOME STREET, - - - - - SAN FRANCISCO.

F. J. ALEX. MAYER, State Agent for Oregon and Washington, PORTLAND, Ore.

F. M. AVERY, Special Agent for Montana, Utah and Idaho, DENVER, Colo.

E. J. LOUIS, Special Agent for California, Nevada and Arizona.

Newspaperdom.

The *Chronicle* of New York has been notably improved lately.

The N. Y. *Insurance Journal* says the "Literary Idiot" is employed by the *Insurance Press*. He has "an atmosphere tragic and saddening."

The *Charities Review* for March contains an article on industrial insurance, by Haley Fiske, who concludes: "General attacks upon the industrial companies will do no good, and the harm they may do will fall upon the policyholders induced to lapse."

Clunie appears to be another who has adopted the role of vexation in dealing with insurance companies. He is evidently desirous to be classed with McNail as a public nuisance. To annoy, irritate, sting and bite is of the nature of some created objects otherwise insignificant.—*Insurance Critic*.

The Salt Lake City *Herald* recently sued a subscriber for 80 cents subscription. The defendant swore that he subscribed for the paper for one month, paid for it and gave explicit instructions for discontinuance at the end of the month. The city circulators swore that the paper had been delivered and accepted for a longer time and for the payment of which suit was brought. Justice M. Sommer rendered judgement against defendant for 80 cents and costs.—*Custom Caveat*.

The *Weekly Underwriter* is by its own confession as defective in news as we are ready to affirm it is effective in opinion. Long after every other insurance journal had announced the California commissioner's determination to break up the compact, and his refusal to license any board company, our contemporary finds the "news" in an obscure sheet and at the risk of being sensational repeats it. But the funny part is the editor's failure to draw the right inference from his contemporary's account of the withdrawal of a New York company. Less careless reading would have disclosed the fact that the New York company withdrew in order to be able to put an advertisement in the aforesaid obscure sheet.

Students of hypnotism inform us that the human mind has two personalities, the conscious and the sub-conscious. The latter has an extent of memory and an acuteness of perception unknown to the former. Here we have a possible explanation of a puzzling contradiction. The Hartford personality of Mr. Hayden is the sub-conscious, which in the *I. J.* of February 10 referred to the California commissioner's "fight" to break up the board, and added: "We have little doubt of his success, because most underwriters feel, as one recently expressed it, as though they would rather fight the board than the commissioner." The New York personality, which is the normal, in the *W. U.* of February 26 is surprised to learn of the commissioner's anti-board crusade. Here, we submit, is convincing evidence of the hypnotic theory.

J. G. LAVERY,

Professional Accountant
and
Fire Loss Adjuster & &

TEL. BLACK 1391

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NEVADA BLOCK, S. F.

Insurance



Rates Reduced

GRINNELL SPRINKLER CLOSED.

GRINNELL

AUTOMATIC SPRINKLER,

Both Wet and Dry Systems.

The only Perfect Solution of FIRE
EXTINGUISHING.For information and proposals apply to
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uishing Company,

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Special Agents'

and Adjusters'

Daily Expense

Account Book

for 31 days

\$1.00 A DOZEN
.50 FOR SIX
.25 FOR THREE
.10 FOR ONE

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THE COAST REVIEW

A MONTHLY JOURNAL

Devoted to all kinds of Insurance that INSURES. Published on the Fifteenth of every Month.

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PER COPY . . . 25 cts.

Postage added to Foreign Subscriptions.

J. G. EDWARDS, Proprietor,
Pacific Mutual Building, San Francisco.
Telephone No. 1530.

Vol. 53.

APRIL, 1898.

No. 4

Annual Statements in This Year's Coast Review.

Hartford Fire	January
Fireman's Fund	January
Ætna Life	February
New York Life	February
Mutual Life	February
Equitable Life	February
Pacific Mutual Life	February
Springfield Fire	February
National Fire	February
Massachusetts Mutual Life . . .	February
Franklin Fire	February
Home Life	February
Milwaukee Mechanics	March
Union Central Life	March
Connecticut Mutual Life	March
Mutual Benefit Life	March
Westchester Fire	March

Our Digest of Recent Insurance Decisions. Fire.

Payment of Premium to Broker.

In action against insured for amount of premium on policy, it appeared that in November, 1896, plaintiff issued to defendant a policy for one year. It was the standard form of policy, and contained the usual clause that no one should be deemed plaintiff's agent unless duly authorized in writing, and it contained no

clause acknowledging receipt of premium. Policy was procured by one L., a broker, and delivered to defendant at about its date. On January 16, 1896, defendant paid premium to L., who failed to pay it to plaintiff, and in August disappeared. Plaintiff, who did not know of defendant's payment to L. prior to latter's disappearance, made no demand for payment of premium until September 17, 1896, and, on his refusal, brought this action. It did not appear that L. had ever had any other transaction with plaintiff, and when he called on defendant for payment he had no indicia of authority for receiving it. Held, That even irrespective of the agency clause, L. was the agent of defendant only, and payment to him did not estop company from recovering premium from defendant. *Citizens v. Schwartz, New York.*

Location of Property.

Policy insured "\$750 on building situated on lot 6; \$250 on boiler and engine while contained in above described building; \$1,000 on machinery, tools, consisting of patterns and other tools." Held, That patterns, to be covered by policy, need not necessarily be contained in building insured. *Ætna v. Strout, Ind.*

Fall of Building.

Provision in policy that "if a building or any part thereof fall, except as the result

of fire, all insurance by this policy on such buildings or its contents shall immediately cease." is a condition subsequent, and in an action on such policy to recover for destruction by fire of the goods thereby insured, where the building in which they were contained fell, the burden is on the company to prove as a defense that it fell before the fire. *Western v. Mohlman Co., U. S. C. C. A.*

Fall of Building Caused by Explosion.

Policy of fire insurance in statutory form provided that if insured building should fall, except as the result of fire, such insurance on the building and contents should immediately cease. Policy also contained provision that "This company shall not be liable for loss caused directly or indirectly by explosion of any kind." A boiler exploded in adjoining building, causing a fall of insured building and damage by ensuing fire. Held, That the provision terminating the insurance in case of the fall of a building means a falling by inherent defects or withdrawal of support, as by undermining, and might include the case of a building thrown down by a storm, flood or earthquake, but does not include the case of the destruction of a building by an explosion within the building itself and of a fire immediately ensuing on and connected with such explosion.

It appeared that the building containing the insured goods was thrown down by an explosion, and the elements of the loss were the explosion, fire, water thrown on the fire from without and water escaping from broken pipes in the building. A small portion only of the goods was recovered, but plaintiff produced no evidence to show what portion of the goods was destroyed by fire and the water used in putting it out. Held, That the burden of showing this was on the plaintiff, and the court did not err in refusing to submit the issue to the jury. *John Davis & Co. v. Ins. Co. of North America, Mich.*

Knowledge of Agent.

Policy provided that if there be a mortgage or other incumbrance on property, whether inquired about or not, it must

so be represented to company and so expressed in written part of policy; otherwise policy should be void. The agent was informed at the time the application was made that there was a mortgage on a small portion of the furniture. The agent did not so state the fact in application, nor did it appear on policy. Held, That where insured makes statements to agent of company of facts which might, under terms and conditions of policy, avoid it if omitted, and agent does not state such facts to company, the insured will be as fully protected as though such facts or conditions had been noted in application or policy, and the company could not take advantage of the clause in the policy referred to and avoid payment on that account. *Firemens v. Horton, Illinois.*

Knowledge of Agent. Title.

Insured made written application for policy in which she stated that she owned the property in fee simple, which was untrue, and agreed in the application that the same should form a part of the policy when issued. The policy contained no reference to the application. The jury found that the insured had truly stated the condition of her title to the agent of the company prior to the time of making the written application. Held, That notwithstanding the written application, the company was estopped to set up, or must be held to have waived, the materiality of the representation as to the title of insured.—*Queen v. May, Tex.*

Use of Gasoline.

Policy issued upon merchandise stipulated that policy, unless otherwise provided by agreement indorsed thereon, should be void "if (any usage or custom of trade or manufacture to the contrary notwithstanding) there should be kept, used or allowed, on the above described premises, gasoline," and that no representative of company should have power to waive any provision except in certain cases by indorsement. The company, as a defense, alleged the use of gasoline by insured. The insured alleged in reply that, while he as a dealer in stoves, had

been in the habit, according to general custom, of bringing a small quantity of gasoline to his store from time to time to illustrate the operation of gasoline stoves, this practice and custom were well known to the company's agent who took the application and issued the policy, and also, both before and after its issuance, to the local board of underwriters of which the company or its agents were members. Held, That under the terms of the policy these facts could not operate as against the defendant either as estoppel or waiver, and a demurrer should be sustained to this reply. *Fischer v. London & Lancashire, U. S. C. C.*

Meaning of Adjacent.

Policy contained warranty that not more than five gallons of gasoline should be kept on premises and "adjacent" to the building. Held, That the word "adjacent" as here used means "near," "close," "in proximity," and applied to the can and its position relatively to the building. *Hanover v. Stoddard, Nebraska.*

Vacancy.

Policy provided that if insured premises should become "vacant, unoccupied or uninhabited," it should become void. The evidence showed that tenant removed from premises about a week before fire, and the person who had charge had stored all his furniture in one of the rooms, intending to remove same; that this person had not slept in the house for more than a month, and ate and slept and had his wearing apparel elsewhere, although he went to the house occasionally to see if his goods were all right, and once to blacken his shoes; and that he did not intend returning to the house to live, and at the time of fire was in another city. Held, That the premises were "vacant, unoccupied and uninhabited" within the meaning of the policy, and there could be no recovery. *Home v. Boyd, Indiana.*

Mutual Fire Insurance in Oregon.

Policy provided that unless premium was paid at company's home office at time such policy was issued (such payment to be evi-

denced only by president's receipt accompanying policy), or within thirty days by check or draft direct to company, payable to president, the policy should be null and void. The premium was paid to the company through its general agent, who remitted the same, less his commissions, to the company. The receipt of the company to the agent was introduced in evidence. Held, that such evidence is sufficient proof of the payment of the premium. *Wictorwitz v. Farmers Ins. Co., Or. S. C.*

Life.

Suicide.

Where a policy is silent as to suicide, it will not for such act be avoided as against the wife of insured, who is the nominated beneficiary. *Morris v. State Mut., Pennsylvania.*

Assignment.

Where policy is assigned to an indorser for insured as security, and indorser transfers assignment to the creditor to secure the same debt, the title vests in the latter so as to enable him to hold the policy as collateral security for the debt, and to sustain an action on the policy. Where policy is assigned to indorser of insured's note as security, a renewal note is not an extinguishment of former note so as to destroy the assignment, and cause the policy to revert to the assignors without formal reassignment. *Corcoran v. N. Y. Life, Pennsylvania.*

Surety.

Second Defalcation.

A bond for the performance of the duties of an insurance agent is satisfied to the extent of an amount paid by the surety for a defalcation, so that upon a subsequent defalcation only the difference between the amount paid and that of the bond can be recovered. *Metropolitan v. Drioss.*

Legal Briefs.

Condition in policy that mill insured shall run not later than 10 o'clock at night, and that violation of this stipulation should create forfeiture of policy, is a valid condition, especially where premium required for mill running day and night is greater than for mill which runs in day time only.

Where policy requires insured, in event of loss, to produce his books and invoices for examination, he must do so or he cannot recover; and the fact that he kept no books is not a legal avoidance of the condition.

If insurer chooses to extend credit to an assured for the premium, it is under no obligation to him to demand payment at any particular time during the term, unless it elects to cancel policy for non-payment of premium.

The Vigilantes, of Portland, Oregon.

A FEARFULLY AND WONDERFULLY MADE NEW FRATERNAL ORDER.

"The Vigilantes" is the name of a wonderful new "social, fraternal, sick and death benefit order," which "is a real counterpart of the United States government," and is "an institution for all time." More than all this, it has "the grandest and safest plan of protection," original, endorsed, patented, and none genuine unless blown in the bottle. We have the word of the "chief leader" of the "chief home ranch" for this, besides a "dozen more reasons that are exhaustive and convincing." The order "makes no false promises"—none of them ever does. It provides an emergency fund, created by "an entirely new plan," of course. And this fund not only costs "no more than the cheapest," but actually costs "not anywhere near as much as the dearer assessment orders." Yet this remarkable fund, which costs so little, gives "a positive guarantee" that the "assessments will not exceed more than 14 per year." If we may judge from the poor paper on which all this is printed, and the poor printwork, there is little money in this fund as yet.

The real richness of this Vigilantes circular—the simon-pure original article—is to be found in the "roster of officers, chief home ranch," on the last page. Such delicious folly deserves to be spread for the entertainment of our readers. Here is the

ROSTER OF OFFICERS.

Chief Home Ranch.

Chief Leader	F. J. McHenry
Chief 1st Side Pardner	Mrs. Juliet M. Lord
Chief 1st Pardner	C. V. Cooper
Chief 2d Side Pardner	Mrs. E. Castleman Campbell
Chief Scribe	D. Solis Cohen
Past Chief Leader	C. H. Jackson
Chief Stakeholder	Ralph W. Hoyt

Chief Pardner Examiner	Dr. D. M. LaMoree
Chief Side Examiner	Dr. Emma Linden
Chief Scout	Henry McGrath
Chief Guard	Mrs. Delphine Hall McHenry
Chief Stampeder	W. J. Holman

If "pardner" is good, "side pardner" is a side-splitter; but neither of these "words" can compete in novelty with the official titles "chief stakeholder" and "chief stampeder." The round-up has not been completed. There is a "board of approvers" and a list of "founders." As F. J. McHenry's name is at the bottom of the founders, we assume that he, modest man, is the real founder of this crazy "ranch" structure. Mr. McHenry is the "chief leader" and Mrs. McHenry is the "chief guard." We note, with surprise and regret, that F. A. Moore, chief justice of Oregon, is an "approver." H. S. Rowe, "capitalist," is another "approver." The others, a legislator, a court clerk, and the like, are not worth mentioning.

The officers of this peculiar enterprise all hail from Portland, excepting the "chief first side pardner," Mrs. Lord, who lives in Salem, and the "chief second side pardner," Mrs. Campbell, who lives in San Francisco. Doubtless, with few exceptions, the officers are merely adventurers. The "chief stakeholder," however, is county treasurer and cashier of the Merchants National Bank. Speaking for ourselves, we should have more respect for a bank whose cashier did not ally himself in any way with such a cattle round-up scheme.

The "dozen splendid reasons" evolved from the "chief leader's" inner consciousness are hardly less amusing than the above "roster of officers." The "first argument" is as follows:

"Some orders (thank God they are not many) promise more than it will eventually be in their power to perform. For awhile all goes smoothly, but after a time—then comes the crash."

This "argument" certainly applies to the "Vigilantes." It promises what it can not perform. There will be a crash, and the cattle will be hurt. The "second argument" contains the following:

"We bar out people working at hazardous vocations. However, there are risks that we take, and glad to get them, that in the past have been considered extra hazardous, namely, railway brakemen, etc."

Here is a conservative order for you. It "bars out hazardous vocations," but gladly insures railway brakemen. The order, it is evident, is destined to live a short and merry life, toward the expenses of which the railway men are expected to contribute. The "third argument" tells a tale of fraternal society trickery. It is:

"We will not be very specific as to this, for we have neither the desire nor the heart to throw mud or enter into a controversy, but the posted reader knows that the recent tendency among some so-called benefit orders is of two or three men power, resulting in the aggrandizement of the few to the detriment of the many. Witness this clause taken from the laws of one of them: "No circular or document relating to the business of this order shall be mailed or circulated by any member of this order, unless the same shall have the approval of the executive committee of the jurisdiction. Penalty, *expulsion*." Such an order evidently does not aim that any complaint shall gain, against its head officials, any general circulation.

The Vigilantes is sub-divided into "local ranches," and places "both sexes on an absolute plane of equality." The "initiation is not of the namby-pamby wishy-washy class, made up from platitudes, quotations from authors and the scriptures." We infer that the initiation ceremonies are of the manly, blankety-blank sort which appeals to the courageous, independent spirit of a cow-puncher. Probably every male initiate is required to ride a bucking broncho and throw a lariat: and every female initiate is required to adjust a "cinch strap" and build a fire out of ranch "chips." The initiation ceremonies of the Vigilantes, we are sure, are original and interesting, and well calculated to inspire confidence in the merits of the order and love for the principles of fraternity.

The Vigilantes also has an "emergency fund," created in a simple way, by deducting a fourth or so from the money

due the widows and orphans. Mr. McHenry proudly asks, "Can anything be more fair?" We answer. Nothing can be more fair, excepting robbery by a gentlemanly foot-pad. The widow's children are probably too small to need the money as badly as the emergency fund needs it; and, besides, she ought to be thankful to get \$1,500 out of \$2,000, at a cost of a few months' dues. She has made a bargain if she gets only \$500. The argument in defence of this repudiation is convincing and unanswerable, as follows:

"Has not he who dies early made a splendid investment for his family? Think! He dies some time during the first year, after paying perhaps \$5 to \$10, and said family gets from the order \$1,500. Can any sane person see any injustice in that?"

The following reference to the "Woodmen of the World" may not be without interest:

"The history of the Pacific jurisdiction Woodmen of the World shows double that amount [five or six] of assessments in the first seven years of its life. Head Consul F. A. Falkenburg, of that order, in his first report to the first head camp says there were 3,500 members in the order. Where did they come from? Why, from the Modern Woodmen, of which they had been old members. Where the trouble originated was in the fact that they came into the Woodmen of the World without having passed a medical examination."

Here is another hint of fraternal insurance fraud—"a tale told out of school." The emergency fund, created by repudiation, which "sends the life blood of confidence coursing through the veins" of the order, is to be safely invested in "gilt edge bonds," where this bloated bond-holding society can call on it in the certain hour of necessity when board-bills are due and officers' salaries must be paid. The hint of fraternal fraud is suggested by the following kick:

"It is thus that we shall prevent our emergency fund being tied up in worthless mortgages on the more worthless town lots of some head official or his dear friend, who perhaps paid him a handsome sum to negotiate a loan on the dear friend's corner-lot in Pawdunkville."

Mr. McHenry leaves us in exasperating doubt as to the identity of this head official and his fraternal order. We wonder if Falkenburg of the Woodmen of the World can enlighten us.

The Vigilantes is a transparent insurance scheme. It has been organized to give positions and salaries to a number of persons. As at first the death rate will be comparatively light, and for five years the face of a policy will not have to be paid, there is a probability that the officers will draw their salaries for a few years before the inevitable failure of the order.

We have looked over the rates of the Vigilantes, as printed in its unique folder. A brief comparison with mortality tables proves that the cow-ranch society's rates are far too low, and that it can not long meet all its obligations. It is therefore a fraud. It will fail, just as hundreds of the like have failed, and will leave unpaid claims and sadly disappointed beneficiaries.

How to Worry.

If you are that kind of a man, you can make it a safe rule in business never to be satisfied with a *small* amount of worry. Do your worrying on a large scale. By wholesale—as it were. A man who only worries a little is doing practically no worrying at all, and the satisfaction of a long, sleepless night is denied him. Neither does he know the sensation of a moist palm, or a cold mouth, void of saliva. To be a good first-class worrier requires long practice and constant effort. No trifle is too small for attention, and if you can learn to worry on two separate subjects at once, particularly if there are subdivisions in the subjects, you have climbed pretty near to the top of the ladder, and there is room at the top for the ambitious climber. It does not always follow that a person with a large capacity for worry knows what to worry about. Such a person is to be commiserated, and the few hints here given may perhaps save such a one from the evil effect of contentment and help to bring his mind to bear on the subject until the state of acute unrest, so dear to the heart of a true worry student, is really his own.

If your superior officer speaks approvingly of your work, worry! He may have a hidden meaning which you cannot fathom; a long, wakeful night is excellent discipline at such a

time. If you receive an official communication couched in excellent English and reading like a book, worry! It may be a bad sign and there may be something "between the lines;" you had better give two days to this case. If by the 21st of the month no fires have been reported, worry! It is an evil omen and may portend great disaster; as each day goes by worry more and more. When a good fat loss occurs, beware! Be on your guard! The excitement of the adjustment will take your attention for awhile, and you may not remember to worry. When traveling on business, if the train meets with an accident—after you have left it—worry over what might have been! Not that you might have lost your life; *that* is *nothing*; but because of the annoyance which might have happened the office.

Is it some time since you have had the services of a physician; let that fact furnish food for your ambition. It means something! Possibly something dreadful! Worry!!

Do not, however, be so foolish as to worry at the request of another. Some jocular people are always to be found who will put up a hypothetical case in the expectation that you will swallow the bait. Beware of them, they are expert at their alleged fun and with the true instinct of an angler never weary of casting their bait. Such people have no worries of their own; some trick of fortune has made them rich in wealth and power. Do not associate with them. Misery loves miserable company. Never forget that, and some day when your work is done, after your eyes and ears are closed forever, men will sing your praises and deliver laudatory speeches in recounting your virtues, but you are past worrying then, and it cannot hurt you. Worry while you can, my hearers, and leave the rest to fate.—*California Knapsack.*

I do not think that any reason exists for the adoption of a higher legal standard of reserve than the four per cent. standard now in use; but it is rather important that the two States having a four and a half per cent. standard should change their standard to the four per cent. basis, so as to conform to that of the other States and thus obviate the necessity of a separate valuation. I refer to the States of Texas and Nebraska. Life insurance legislation should never be extreme, and the companies themselves are better judges of the time to adopt a three or three and one-half per cent. interest basis than the legislatures or insurance departments are likely to be.—Bloomfield J. Miller.

The Eloquence of a Smile.

—
FROM A PAPER BY WILLIAM SEXTON, READ AT
THE RECENT ANNUAL MEETING OF THE FIRE
UNDERWRITERS' ASSOCIATION OF THE PACIFIC.

Bret Harte says of Ah Sin:

"But his smile it was pensive and child-like,
Which we had a small game
And Ah Sin took a hand,
It was Euchre the same
He did not understand;
But he smiled as he sat by the table
With a smile that was child-like and bland."

"In his sleeves which were long
He had twenty-four packs,
Which was coming it strong,
Yet I state but the facts."

A laugh is but a smile of larger growth.
The eloquence of a laugh is pictured by a
writer who says:

"Laugh and the world laughs with you,
Weep and you weep alone."

Lamb says of the worth of a laugh: "A
laugh is worth a hundred groans in any mar-
ket."

A smile to be eloquent and effective, must
be something more than a contraction of cer-
tain facial muscles: it must mirror honest in-
tentions, and while one may "smile and smile
and be a villain," such a smile will not be
eloquent in an argument, convincing in a con-
tention, or effective in settling a dispute.

The eloquent smile carries with it the be-
lief that our opponent is honest in his asser-
tions, but is not fully informed as to the facts
on which he bases his contention, and that by
greasing the way with a smile, instead of
sanding it with a frown, the testimony on
both sides can be calmly considered, and a
proper solution reached. There is a class of
smile, the deceitful smile, that must not be
cultivated.

A friend of mine, a pupil at "Yankee Sul-
livan's" (the celebrated professor of physical
culture) boxing academy (a saloon) on Rattle-
snake Bar in the early fifties, interviewed the
professor as to the best means of self-defense
to be learned in the fewest lessons by a
young man to protect himself in going through
life. The professor, who was a man of acts
and not of words, said: "Me by, good man-
ners and a civil tongue."

The commander of a passenger steamship is
employed not only because he finds the road
over the seas by the sun, moon and stars in
the heavens, and the ooze or sand from the

ocean's bottom brought up on the arming of
the lead, but also because as a social good fel-
low he entertains the ladies and gentlemen
in the cabin, and keeps up his end as raconteur
with special agents and commercial travelers
in the smoking room.

Insurance is less understood by purchasers
than any other commodity dealt in. This is
because we sell a promise of performance
based on the contingency of an accident; we
sell to a hundred, and are called upon to
fulfill our contract with one, and that one,
usually, without any experience in that line
up to the time of receiving our goods as bar-
gained for.

In making our sales we are confronted with
the question of the future cost of the article
sold, and as unfortunately for us, the promise
having the flimsiest backing can be sold at
the lowest rate, the company having the
least to lose can take most chances, we are
dependent on the good standing of the com-
pany, and the ability of its representatives
to establish the selling price to the customer.

It is a poor satisfaction for an applicant for a
reduced rate, to tell him that the Board fixes
the rate, and to join with him in abusing the
Board and calling it a monopoly, and to tell
him he can take that rate or go without insur-
ance. It will be better if the counter man,
solicitor, broker or agent will try the elo-
quence of a smile, and take pains to show to
the enquirer that the rate charged is neces-
sary to pay losses and expenses, and to pro-
vide for the re-insurance reserve required by
State law to guarantee the company's sol-
vency.

The special who finds an agent in the dumps
because of some fancied slur, slight or crit-
icism in a letter from the office, should, in-
stead of joining with the agent in roasting
the member of the staff who wrote the letter,
try the eloquence of a smile, read the letter
over carefully, point out in a kindly and
friendly way where the objectionable matter
fitted the case, or seemed to, from the office
point of view, explain that the writer dictates
a hundred letters a day and cannot at all
times pick out soft words. He should make
the letter a text on which to preach a sermon
on the necessity of care in writing policies,
sending reports, collecting and remitting, if
he, the agent, ever hopes to be an under-
writer.

A special who has to spend a night in a
one-horse town hotel, can do much good and
pass a pleasant and profitable evening, by
getting up an argument with the valued pol-

icy law oracle of the town, and explaining rates, losses, expenses, taxes, licenses, re-insurance reserve, earnings of assets, and the necessity and benefits of insurance as collateral security in commerce. He will probably not convince the oracle, that he, the oracle, is wrong, but by a quiet tone of voice and a gentle manner, he will convey to the interested listeners much valuable information, and will pave the way for a new risk or two next day.

The manager, who, about sixteen times a day, has letters that tell everything except what was intended to be said, daily reports that describe everything except the property intended to be covered, the amount and the rate, and telegraphic notices of loss that give everything except the name of the insured, number of policy, and probable amount of loss, who does not indulge in the "eloquence of a smile," will at an early date generate enough old Nick to start a sulphur mine.

It is not an easy matter to put a smile on paper, but there are managers who do not hesitate to put and pay for the word "please" in a telegram, and who can dictate a letter that will make an agent feel that he is doing himself a personal favor, when he is carrying out a request or a suggestion from the office.

The adjuster, the undertaker, the last man, should carry a smile on tap; he should be full of good will to man. His actions should indicate that he believes the claimant to be honest until he finds him a rogue, always keeping his eye peeled for a rogue. He should meet a claimant not only with an eloquent smile, but with a countenance beaming with philanthropy. He should admit with evident pleasure all the claimant is entitled to; he should assist in making up the claim, and see that no article covered, or intended to be covered, is omitted; he should in a word carry out the meaning of "adjuster," should be just and fair both to the claimant and the company. He should be full of sympathy for the honest loser. He should make allowances for the ill-natured remarks that a badly advised claimant on his first loss is liable to make. He must treat him as a child that needs directing, and not as a thief that needs correcting.

—A man in the West who recently attained his ninety-fifth year, retaining all his faculties and an excellent digestion, was asked to what he attributed his remarkable physical and mental condition. A part of his reply was that he "had not been really angry in fifty

years." Physicians tell us that a fit of anger is often worse than a fit of sickness, and that, like *la grippe*, there is always a more or less serious aftermath to angry spells. The panther's anger is manifested by the lightning rapidity of its onset and its ferociousness. On general principles avoid panther people—those who cannot control their tempers. Such often appear harmless and mild on the surface, but they get provoked easily, and when rage has taken possession of them they are reckless as to words and acts. Medical examiners should "turn down" an applicant who has an uncontrollable temper. They are not good risks either for life or accident insurance.—*The Ætna*.

A Clergyman on Life Insurance.

My title to the invitation to speak to this toast (the "Ethics of Life Insurance") does not rest upon an expert knowledge of life insurance. I claim no more knowledge on the subject than every man ought to possess, but which, unhappily, few laymen do possess. I am not here to play mentor to you who are past-masters in the science, but to give you whatever satisfaction there may be in the knowledge that one who does not belong to your noble profession has learned to honor life insurance because it promotes whatsoever things are honest, whatsoever things are lovely, whatsoever things are of good report.

I honor your profession because it has helped to keep my head clear, my heart light and my conscience clean for more than twenty years.

I need not remind you that the first life insurance company was organized by a clergyman just two hundred years ago. The Rev. Dr. Anhate, of Lincolnshire, was the man, and 1698 was the year; but as we read of life insurance in those times the ethical element seems sadly wanting. It degenerated into a speculation in the lives of public men, until, early in this century, parliament was forced to interfere and so define what we call "insurable interest" in human life. The advertisements of life insurance companies in those days show how far below the standard of today the profession was in its infancy. Here is one in rhyme:

"Come all ye generous husbands with your wives,
Insure round sums on your precarious lives,
That to your comfort when you are dead and
rotten
Your widows may be rich after you're forgotten."

Now, since I have dropped into verse, as Silas Wegg would say, and you are in an ami-

able mood, I might as well give another quotation which has a singularly modern application:

"By life and fire insurers next,
Intercepted, bored, perplexed,
Almost beyond endurance;
And though their schemes appear unsound,
Their advocates are seldom found
Deficient in assurance."—*Montague Tiggs*.

Disinterested Loan and Life Insurance Company, as set forth by the inimitable Dickens, is a satire, but not an overdrawn picture of the abuses from which your great profession has been made to suffer in the hands of charlatans and rogues. We have seen something of this sort in Indiana in the case of the Iron Hall and Order of Equity, and there is only too much ground to fear that the end is not yet.

Life insurance suffers no more than any other institution from the occasional inevitable intrusion of a "black sheep," but it must suffer when treachery and chicanery and unfair competition are not rebuked and punished by those in authority. It has been said that there are three kinds of lies—white lies, black lies and statistics. The compilers of insurance statistics are the worthy successors of Baron Munchausen. The figures do not lie, but the men who make them do.

I believe in competition so far as it is the life of trade, but I do not believe in competition when it becomes not only the death of trade but of honesty as well. If you are going to fight, fight fair. If you are going to take "downs," as the curbstone philosopher says when he spins his top, you must give "downs." If you are going to live, let live. You will not twist figures any more than you would resort to disreputable twisting in the technical sense, and you will not sell a man a twenty-year term or a twenty-year payment life policy and make him think he is getting a twenty-year endowment. You will not make a statement of guarantees and estimates without having the policyholders understand as fully as you do the difference between the guarantees and the estimates. You will save your companies as far as lies in your power from the tell-tale item in the statements which tells of the large amount of new insurance and the small net increase in so many companies. You will be "underwriters," not overwriters, who, for the sake of one year's commissions and a possible bonus, will persuade a man to take insurance beyond his ability, and, when the premiums become due and his policy lapses, you have made him and

all his friends suspicious of the system which should protect their best interests.

I say all this because it is better that a friend should say it in kindness than an enemy in derision. I believe in life insurance, I preach it, practice it, think it, dream it—do everything but carry it. It carries me. It has carried me through early manhood to middle age, and will carry me when my hair is whiter and my head bends lower. It has been my medicine in sickness and my anodyne in care. It has enabled me to look my wife and children in the face without feeling ashamed, and has saved me from seeing the reflection of myself when I find in my Bible the mirror which St. Paul holds up to the man who fails to "provide for his own," and whom he calls an infidel. Life insurance fosters self-denial. All other methods of accumulation are in danger of degenerating into what phrenologists term "acquisitiveness," but which the Bible calls by a harsher name, "covetousness," which is idolatry.

Acquisitiveness corrupts the nature which it controls. Self-denial ennobles and purifies it. It is the only way that most men can obey the scripture command to "take no thought of the morrow," for the anxious care always comes to the man who does not do what he can for himself. God never helps those who do not help themselves. He gives us bread, but the ground must be plowed, the seed must be sown, the harvest must be gathered, the wheat must be threshed, the flour must be ground and the bread must be baked, before we have God's bounty prepared for us. I do not pronounce on the theology but I know there is good common sense in the advice, "Trust in God and keep your powder dry." If you do not keep your powder dry, to profess to "trust in God" is to try to make Him the fool that you are.

Let me take advantage of this occasion to say a word which I may not have another opportunity of saying. I say to-night not only as a clergyman, but as a citizen and as a man, as a believer in life insurance: Join your forces and your efforts, gentlemen, to let the people of this country understand that the great life insurance companies will pay their policyholders the same kind of a dollar which they receive. They will not take 100 cents in premiums and give back 52 cents in payment of losses. Your policyholders, now two million strong, appeal to you to demand legislation at Washington, as well as at Indianapolis, which will make us safe. Do not let us pay 100 per cent. more for our policies than they

will be worth, and then let our disappointed heirs find what crumbs of comfort they can in the "matchless oratory" of the man who blasphemes about a "cross of gold." Let the people understand that with a great rank and file of thoughtful men, bankers, merchants, students and thinkers, the life insurance men will insist and maintain that what is morally wrong, commercially wrong and logically wrong must always and everywhere be *politically* wrong.

Stand by your policies, protect the interests of your policyholders, and then we in turn will stand by you, and those who come after us will arise up and praise your beneficence, your prudence and your integrity. *Rev. Gustav A. Carstensen, Indianapolis.*

Talks with Property-Owners.

It would be well to give up, at the start, any respect for the judgment or expressed views of any State insurance commissioner. You know what the average office-seeker is, and when you are assured that an insurance commissioner is not required to know anything about insurance practice or principles, there is nothing left for a basis for respect. The worst insurance frauds have received the unqualified endorsement of insurance commissioners, even when insurance men and insurance journals were exposing the frauds. The discreditable nature of our insurance departments is the result of the spoils system of politics.

As a sensible man you must know that taxes are an item in the cost of goods, and that equality of taxes is the condition of equality of burdens. If one branch of business is taxed more than others, the patrons of that branch pay an undue share of taxes. If a life, fire or accident premium is taxed, the policyholder pays that tax. Supposing that every 50 lb. sack of flour were taxed 50 cents, you would not contend that that half-dollar would be paid by the seller. The tax would be added to the cost of the flour. What tax can be more unjust than a tax on a life insurance premium, which is a sum set aside for a fund for the relief of the helpless? Ought not government to encourage such a saving? Is it fair to allow a man to buy a suit of clothes or a box at

the theater, without putting on him a special tax, a percentage of the purchase money, and at the same time charge him a percentage of the sum he pays for protection for his family for a year? Think for a moment of the injustice of such a tax. The man says, "My death this year would leave my family dependent on municipal or private charity: the individual or the community would be taxed to feed and clothe and shelter my family. I will guarantee the individual friend or the collective people against this tax, by insuring my life." But there are States which reply, "As you please: but as you have so much money you must pay me a part of that premium, for the support of my pet tax-eaters." The men who put the State in this disgraceful position are the tax-eaters, who toil not, neither do they spin, yet are clad in finer raiment than you property-owners.

The New Zealand Idea.

New Zealand has a government life insurance department, for which all Colonial employes and other politicians are expected to work gratuitously, cheerfully and patriotically. The assets amount to \$13,000,000, of which \$2,320,000, or about 18 per cent., is invested in loans on policies. This is extraordinary. The amount invested in Colonial securities is \$4,360,000, or nearly 34 per cent. This is still more extraordinary. Over half of the assets are invested in loans to policyholders and in Colonial bonds. No parallel can be found, in this respect, in the statement of any other life insurance company in the world; and we can not believe that the business men of New Zealand, who are capable of analyzing a statement of resources, are willing to depend on such security for the protection of their families. The extraordinary proportion of loans to policyholders on the security of the policies may indicate an extraordinary period of business depression, but it may also indicate an extraordinary lack of confidence in the government life office. Any company or "department" investing a third of its

assets in the securities of a small community like the Colony of New Zealand invites disaster of an overwhelming degree. Prolonged drouth or war or political corruption or great business depression or government frauds on a large scale—all at least possible—might easily so affect the value of the third invested in government securities as to cause insolvency, panic and wholesale surrenders, and finally disgraceful dissolution.

San Francisco Fire Losses.

Fire insurance losses in San Francisco during the past sixteen years have been as follows:

1882 \$ 337,846	1890 \$ 865,759
1883 603,322	1891 567,982
1884 415,097	1892 680,060
1885 781,278	1893 678,851
1886 1,150,526	1894 587,858
1887 553,230	1895 953,747
1888 626,043	1896 779,670
1889 355,493	1897 595,489

Cressey and the American Fraternal League.

Cressey of Los Angeles, formerly of Des Moines—T. J. or F. J., which is it? He organized the Los Angeles Mutual Life & Accident Ins. Co., assessment, a concern which soon became embarrassed and was swallowed by the Bankers Alliance. The Los Angeles Mutual was "reliable" and all that, according to its own say and the endorsement of "leading" business men; but it soon failed. Cressey had something to do with the organization of the Bankers Alliance too. Later we hear of him as president of the Security Accident Company, presumably of Los Angeles likewise. A year or so ago Cressey organized the American Fraternal League of Los Angeles and became its first "national president." We referred to it as follows:

"Great humbug, this new freak. The *Coast Review* dismisses it with a warning to the public. To simple folks generally we say, better spend your money yourself."

The American Fraternal League was a copy of the American Fraternal Brotherhood, but the game has been played in hard luck. The "league" shows a lack of

nourishment. Its secretary, Chas. L. Wilde, was arrested some months ago on a charge of forgery. Since then the American Fraternal has been in a fog. Credulous people think it still has a ghost-like existence. The secretary attached the funds, which amounted all told to four dollars. The officers declare that he was not guilty of forgery, and that the suit instigated by Cressey was spite-work. Cressey has resigned the presidency, and is doubtless studying up some new scheme, confident that it will receive the flattering endorsement of "prominent business men." A press dispatch says the American Fraternal League humbug has among its directors "the names of such prominent citizens as Sheriff Burr, Mayor Snyder and ex-Congressman McLachlan" and others.

More About the Mutual Reserve Fund.

The new rates which went into force on March 1st run as follows:

Age.	Old.	New.	Age.	Old.	New.
25	1.00	1.80	55	3.25	4.91
30	1.10	1.87	60	4.50	6.78
35	1.24	1.99	65	7.00	10.53
40	1.44	2.20	70	..	15.50
45	1.64	2.49	75	..	23.59
50	2.00	3.06	80	..	36.12

The William C. Braunon claim has never been paid.

The Isham B. Porter claim for \$5,000, in 1894, has not yet been paid.

The R. C. Massie claim for \$10,000 was finally compromised for \$6,000, by the Mutual Reserve, though all the old-line companies paid promptly.

The Boliver Roberts case at Salt Lake, in 1893, ventilated in the *Coast Review* at the time, may be recalled with profit at this time. Roberts, a banker, was "insured" in the Mutual Reserve Fund for \$10,000. One assessment was offered and accepted when a little past due, as was the custom of the association; but subsequent assessment payments were accepted. When Roberts died the association trumped up the defence that this one assessment had not been paid promptly on time.

Of 1,033 death claims paid by the Mutual Benefit Life last year, one was nearly 92 years

old, and 467 were under 60. Of those insured during the year 20 died. This is a warning to men who are "too healthy to need insurance." One man died from pneumonia before the receipt of his policy; but as he had paid his premium, and the application had been accepted, the widow was paid the insurance.

M. P. Neal of Oswego, N. Y., says: "I became a member of the Mutual Reserve Fund Life Association in 1882, and from that time until now have carried a policy of \$10,000 with it and paid \$5,500 thereon or all the assessments levied and dues required, until I have reached a time of life when the association's exorbitant and unjust rates compel me to abandon my insurance and thereby lose all that I have invested in obtaining the policy and carrying it along to the present time, and go out of this world without being able, because of my non-insurable age, to leave anything to those for whose benefit I originally secured membership in this association. That a life insurance company should have so conducted its business as to bring about such a condition of affairs as the Mutual Reserve Fund Life Association now presents to us, shows either absolute dishonesty on the part of its managers, or gross negligence of ordinary business principles."

Corporate Surety Business.

Quoting from a financial paper the Sacramento *Union* writes on the remarkable growth of suretyship business in this country. It says:

"Certainly the day of individual suretyship is passing; that is evident to everyone. That the new system is a vast saving of time and trouble to business men cannot be for a moment questioned; that it is exercising a beneficial influence upon young men is not controvertible, either. They now understand that their actions are watched, that their habits are closely observed, that estimates formed by business men of them go into the records of these surety associations; that reputation has become ascertainable capital for every young man, and that all business men in a community know just what that reputation is."

Our Sacramento weekly contemporary errs, however, in assuming that the surety companies rely on any system of espionage. The surety companies, it says, "must not foster a system of blackmail, or become autocratic in estimating men's characters or in limiting their opportunities." There is a misconception

here. The surety companies have been organized to make money legitimately for their stockholders, and to obtain the premium on a risk the applicant will always be given the benefit of every reasonable probability of sound character and good conduct. To be "autocratic in estimating men's characters" would be the surest way to drive away good business. The surety companies determine the character of the risk from the answers to questions put to the employers and associates to whom the applicant refers. If his application for surety is rejected, there is always good ground for the rejection. After the acceptance of the risk, the corporate insurer may properly be as surveillant as the individual insurer.

Merchants Life Association of the United States.

This is a pretentious St. Louis concern which has been tooting its brass horn on the Coast. It is a weakling and would break at once if the names of its board of directors were withdrawn. We remind people who put confidence in such support, that the late Bankers Alliance of Los Angeles had a lot of good names among its board of directors, all loudly endorsed by the chamber of commerce. But where is the Bankers Alliance? After awhile, we do not doubt, the members of the Merchants Life of St. Louis will sadly look over that list of directors, and softly ask themselves, But where is the Merchants Life?

The *Western Insurance Review* for February makes a few mighty pertinent remarks. It reviews the seventh annual statement of the association, and shows some juggling signs. The income reported is \$21,894 more than received. The reported surplus includes \$27,554 "premiums in course of collection." The disbursements actually exceeded the income by \$21,894, which proves that the rates are insufficient and trouble lurks in this path.

Perhaps one reason the Populist insurance commissioners are doing guerrilla work against the solvent insurance companies is because the latter fought the 50-cent dollar in '96. The insurance turn-out in San Francisco was as large as it was respectable. This aspect of the Pop. insurance department's conspiracy does not seem to have occurred to our bright contemporaries.

The Fire Underwriters Association of the Northwest will not hold its next annual meeting in a populist State, as at first announced. Instead of Omaha, the next annual meeting will be held in Chicago.

Misrepresentations of the Charter Oak Failure.

We have exposed that same old lie about the loss of policyholders in the Charter Oak Life Insurance Company so many times, it seems idle to repeat it again, but a co-operative paper, which we believe is published in New York, has repeated it again with such circumstantiality of detail that it may, perhaps, be well enough to put in a denial once more. The paper to which we refer says that the "Total loss to policyholders from the failure of the Charter Oak, as shown by the official reports, amounted to \$9,788,928.52. When one comes to figure out the cents in a case of this kind, it looks as though there was some basis for the computation, but really, the official reports do not show anything of the kind, and never did. The statement of the company in the Connecticut report for 1876, which was the year before the Charter Oak's troubles began, shows a liability to policyholders on the valuation on the Actuaries' Table of \$13,455,127, of which \$3,506,139 was in the form of premium notes. These were obligations of policyholders to the company which were never paid, of course, and which reduced the actual liability at that time to policyholders to \$9,948,988. If all the assets of the company had been sunk in the Connecticut river at that time, these latter figures would have represented the loss to policyholders of the company on reserves calculated on the Actuaries' Table, but, inasmuch as the company went on paying losses for a number of years thereafter, there could not possibly have been any such loss as is here stated. When the company finally went into the hands of a receiver and the claims against it were adjusted by a committee appointed by the court, there was found to be due to all claimants \$3,031,617.46. Of that sum a dividend of fifteen per cent. was paid in 1892, and a final dividend was paid in 1897, of three and one-fourth per cent. to policyholders, making in all eighteen and one-fourth per cent. of their total claims of \$3,031,617.46. We will throw off the one-fourth per cent., and deducting eighteen per cent. from the amount of the claims approved, leaves \$2,485,926.32, which represents the real money loss to the policyholders by the failure of the Charter Oak Life Insurance Company. When our assessment contemporaries undertake to tell the truth, that is about what they will figure out the Charter Oak loss, and, bad as that is, it is better than most of the assessment companies have ever done, because they have failed to pay death claims, and the claims against the Charter Oak were mainly claims for reserves due to living policyholders, at Actuaries' Table and four per cent., which is a fictitious valuation rather than an actual liability.—*Insurance Journal, Hartford.*

Clunie has made his debut—such a debut that he at once takes the position of a star performer. The palm now goes! Clunie!—*Insurance Advocate.*

Clunie is a freak or curio let loose from the old antiquity show in Paris called the "Musée de Clunie." Broke his lariat.—*The Insurance Magazine.*

Somewhat Stale.

THE Union Casualty Co. has begun writing in Texas.

THE Union Mutual Life will do business in Arizona.

THE Home Life has properly withdrawn from Kansas.

THE Provident Savings leads in new business in Tennessee.

THE North German Fire will establish agencies in New England.

GASOLINE and kerosene caused 467 fires in Philadelphia last year.

CONTINENTAL stock recently sold at \$450 per share, par value of which is \$100.

No company can be admitted to Nebraska until it has given a populist patriot a job as an examiner.

THE insurance department of the Bavarian Mortgage & Exchange Bank of Germany will establish an agency in New York.

COLORADO county treasurers are trying to collect over again the 2 per cent. premium taxes paid to the State treasurer.

AN Indianapolis Sunday paper has an insurance column edited, according to a contemporary, by an "educated preacher."

POP. OREAR of Missouri failed to score in his legal game with the Western Union's governing committee. The dirty tricks were his, though.

THE New York Life announced last month that every policyholder in that company can enlist in defense of his country, without affecting his policy. No extra premium.

AUTOMATIC sprinklers in the Met. district of New York city did good work at thirty fires, as follows: No claim, 11; damage under \$50, 13; damage from \$50 to \$750, 4; serious loss by water, 3; serious loss by fire, 1.

THE Covenant Mutual of Galesburg and the Merchants of St. Louis, both assessment companies, withdrew from Georgia rather than acknowledge in red print on their policies that they were assessment concerns. They prefer to deceive the public. Beware of such schemes.

THE anti-rebate compact of life underwriters, in line with the anti-rebate laws of several States, has been pronounced an unlawful combination by no less an authority than Crank McNall of Kansas. He wants the rich men to have rebates at the expense of the poor men. By the way, all these demagogue State insurance commissioners always favor the rich policyholder at the expense of the poor policyholder. Clunie, too; for he wants all anti-rebate regulations abolished.

PROBABLY the Western Union will not soon again hold its session in a populist State. Last month its meeting in St. Louis, Mo., was rudely interrupted by summons served on Messrs. Harbeck, Cram, Magill and others, to appear before a court commissioner appointed by the supreme court to take depositions in proceedings to oust companies for maintaining a local board at St. Joe. Supt. Orear and Attorney-General Crow were responsible for this outrage. The Western Union had been assured that no such advantage would be taken of its session in St. Louis.

Suggestions upon the Choice of Fire Insurance Literature.

BY HERBERT FOLGER.

[Continued.]

Classification.

Numerous papers have been devoted to classification, notwithstanding that most of the records in use by even the largest offices are unscientific, and rarely make any provision for differences in climatic conditions and the presence or absence of fire protection. The most notable work on the subject, is the recent volume by Mr. R. F. Mallett, head of the classification department of the Norwich Union Fire Insurance Society. The rest of the literature on this subject consists mainly of arguments for the adoption of a scheme of combined classification, some of them thoughtful, but most of them based on an honest desire to see good come, without a very clear idea of how it can be brought about. The *Insurance Monitor* in earlier, and the *Spectator* in later years, have teemed with leading articles supporting a scheme of combined classification; and the late C. C. Hine made perhaps the most persistent effort known, to attract the co-operation of even the limited number of companies which used the Griswold system, the fate of which is told in his 1885 address. A most excellent paper was written by Mr. H. D. Curnick in 1893 for the Manchester Institute, in which he sums up the results to be expected from classification by a single office in these words: "Indeed, the only advantage to be gained is, as to the limit which may prudently be retained on any given class of risk, having regard to the income derivable therefrom." In the course of this paper, Mr. Curnick appeals to an authority evidently well known on the other side. Mr. T. R. Glover on "Fire Statistics," who is quoted as saying: "The necessity for classification is far more absolute than is generally supposed, and any office that has not hitherto classed its business, will find upon doing so and bringing out the results of five years combined business, that even if a loss, (debiting proportionate expenses and margin for profit) upon its gross business transacted in the United Kingdom has not been sustained, one will be shown under fully fifty per cent. of the individual classes of risks thereunder, aggregating to about forty per cent. of the gross premiums." Mr. Glover seems to have compiled his figures from a record embracing 160,000 distinct risks per annum, and remarks: "When I get into the subdivision of fire statistics, I find in those classes where sufficient area is given for comparison, that the ratio of fires year by year, run as closely as in the total results; and I may here assert that, a parallel being drawn between various risks in fire insurance, and various ages in life insurance, the former will run in as close, if not closer ratio, than the latter.

Causes of Fires.

No consideration of the science of fire insurance would be complete, without some reference to causes of fires. It is almost superfluous to draw the

attention of an American student to the Chronicle Fire Tables, which have achieved a reputation in this country second to no other statistical publication. As a companion to this, one should read the paper by Mr. Franklin Webster, the able editor of the *Chronicle*, entitled "The Fire Fiend and his Lurking Places." Of the many hundred reports of fire departments in our library, by far the large number pay some attention to causes of fires, and many of them present carefully prepared tables. The number of fires from preventable causes has increased rather than diminished, but no scheme for doing away with carelessness has yet been devised, if we except the proposition of the National Association of Fire Engineers that no property owner should be permitted to collect insurance for a loss occasioned by his own carelessness. No office is complete without Mr. F. C. Moore's "Fire Insurance and Causes of Fires," and there are many papers relating to the subject under the headings of "Spontaneous Combustion," etc., which there is not even time to name. A brief and intelligent summary of principal causes noticed across the water, will be found in Mr. Walter S. Kimmer's paper on "Fires—Some of Their Causes and Lessons," in the transactions of the Insurance Institute of Ireland. As underwriters usually regard electricity only from the standpoint of additional hazard, its importance deserves mention under this heading; but as the literature of every association with which we are in correspondence contains papers bearing upon electricity and electrical plants, a selection could only be made with advantage by one having a knowledge of the subject. You will be safe in giving attention to anything from the pen of Mr. W. H. Merrill of Chicago, whose reports have the sanction of the National Board. Naturally, arson and incendiarism have received much attention from underwriters, and the opinions of those entitled to be considered as authorities vary greatly. Perhaps the more common view is that one-third of all fires are suspicious, while the extremes are 15% and 60%. No paper is more likely to excite your lively interest in this connection than "The Fire Account," by the late J. A. Fowler, in which he endeavors to reduce the question to a scientific basis. With the assistance of algebraic formulæ, which are not as terrifying as they look, he demonstrates to his own satisfaction, if not to that of his auditors, that the percentage of fires attributable to incendiarism is probably 16%. A very complete report is issued by the Commonwealth of Massachusetts annually, upon the fires of the preceding year and their causes. It is worthy of note that, after observing the course of affairs for some years, the commissioner submitted for the consideration of the general court in 1893, the question whether it would not be well to forbid, by law, the issuance of policies for a longer period than one year, upon the ground that annual acceptance of risks involves annual inspection, to some extent at least.

Fire Losses.

The natural transition is from causes of fire to fires themselves, upon which the literature, if it

may be so termed, is of great extent. Reports of fire departments are not all dry reading; but they will be apt to prove so unless discrimination is used in their selection. The appointment of fire marshals is of comparatively recent origin, but the work accomplished by them is of inestimable value; witness the series of reports from Boston and Chicago. From the former city we have reports upon the fire of Thanksgiving day, 1889, and the important fires of January, 1893. No better source can be consulted for the effect of large blank walls in staying the progress of the flames, and the assistance given to them by large area risks. The Chicago fire marshal makes a special report on every fire involving a loss of over \$30,000; and in the volume for 1891, a diagram is given showing the position of 34 steam engines and other apparatus, called into service of the fire of April 12, 1891, the largest number ever employed in that city at a single fire. The longest line of hose did not exceed 925 feet. The most recent and the rough account of a serious conflagration may be found in the report of the Milwaukee fire department for 1893, which, besides giving a map of the district and a full list of the losses, appends the unique feature of an enquiry into the height and age of every brick building within the burned area. Accounts of historical fires are scattered through the insurance journals, the most notable being the description of the great Chicago fire, by Mr. Edgar A. Hewitt, written for the *Insurance Times*. Foreign fires are noticed in the most condensed form in the article, "Great Fires," in Walford's *Cyclopedia of Insurance*. The Department of State has done great service in procuring reports from U. S. consuls in all parts of the world upon fires and building regulations. On the first page of the bound volume may be found the experience of Vienna, with nearly a million inhabitants, where no case is known in which a fire has extended beyond the adjoining property. From first to last, the book will repay study, for there are bad towns as well as good ones, and it transpires that American cities are not the only ones requiring high rates.

Fire Engineers.

While fire insurance literature may be considered to include only what directly relates to the business itself, a broader view has been followed in filling the shelves of our library. There are several allied interests, the doings and writings of which are of value to us. Perhaps the foremost is the National Association of Fire Engineers. The subjects considered at its twenty-four annual conventions cover a wide field. Co-operation between the association and underwriters exists to some extent, the inspector of our National Board attends the conventions, and Mr. F. O. Affeld has twice addressed them. A cursory examination of the reports shows that many of the chiefs handle important topics in the most intelligent and concise manner, partly on account of the system of presenting the topics for discussion, each one being merely introduced by the chief to whom it is

assigned. They have discussed "Fires in coal docks," "Limitation of the height of buildings to one and one-half times the width of the street," "District stationary engine and abolition of the present portable steam engines," "Uniform couplings for cities within a radius of fifty miles," etc.

Water Supply.

It has become an accepted principle on this Coast that a reduction in the schedule of rating for any given town, previously without a proper water supply, shall not only be preceded by introduction of the supply, but also by submission to the Board surveyor of the system of distribution mains in the principal streets, that it may be determined whether the sizes are adequate to give effective pressure. In the department of water supply there are several papers of considerable value among the transactions of the American and the New England Water Works Associations. Perhaps the best is one by Mr. J. T. Fanning, upon "Distribution Mains and Fire Service." Nothing more practical is on our shelves, and it is not too technical to be read with interest at a single sitting. Occasional papers of special interest are scattered through these reports, such as "Hydraulic Elevators," "Emergency Fire Supply for Cleveland," and "Electrolysis"; and in 1893 transactions of the American Waterworks Association include a supplement upon the "Water supply in the wholesale district of St. Paul." The peculiar value of this paper, lies in the fact that it is based upon actual tests in an ordinary American city, with varying sizes of water mains, and the certainty of needing better service in the future, than was obtainable when the tests were made. Mr. J. W. Hill, the engineer in charge, estimated that no more than 20 steamers could be massed to advantage in the district, even if the size of the mains should be increased. Mr. Hill has been criticised by an authority on insurance, for saying that "steam fire engines will give better results in water delivered per minute from the nozzles, in steadiness of motion and in ease of management, besides diminishing the chances of accident to the pumps in service, when taking water from fire cisterns than when drawing from a fire hydrant, however the hydrants may be placed and whatever the diameter of branch pipe and main with which the hydrant is connected."

Automatic Sprinklers.

Until within a few years, it was regarded as inevitable that fires must be allowed to take their course until discovered and brought to the notice of the fire department. While the use of automatic appliances has so far been limited principally to manufacturing establishments, the results following their introduction have been so important that a large number of papers have been devoted to the subject. Perhaps none is more entertaining than Mr. D. R. Paterson's, on "Automatic Sprinklers," read before the Glasgow Society three years ago, of which the following excerpt will serve as an example of style: "Some time in or about the year 1877, an American, of gentlemanly appearance and

demeanor, took up what for a time looked to be a permanent abode in the Queen's Hotel, Manchester. He was, if anything, a reserved gentleman, lunched and dined, and went out and in quietly. After observing him for weeks, the enquiry "Who is he?" would be answered, "Oh, that is Mr. Parmalee. He is supposed to be here to introduce an invention for the extinction of fires, known as an automatic sprinkler." In his own unobtrusive way he was making the acquaintance of such members of the cotton industry as made the "Queen's" their lunching and dining rendezvous. There was so little of the in season and out of season attention to what was said to be his mission, that the majority of those who made a "how d'y'e do" acquaintance with him, concluded that business and automatic sprinklers must be a secondary consideration." After which follows an account of an experiment with sprinklers by means of a real fire in a real mill, and later on, the first successful operation of a sprinkler plant in Bolton. Time will not permit reference to the numerous papers bearing upon this subject, published on both sides of the ocean, but special mention may be made of one read at Chicago by Mr. S. A. Reed, manager of the Western Factory Association. For an intelligent survey of the work accomplished by this means, there is no better source than the reports of the Boston Manufacturers Mutual Insurance Co.; and its accomplished president, Mr. Edward Atkinson, wrote a special paper on "Automatic Sprinklers and Their Introduction," for the *Holiday Chronicle* in 1893, in which he remarked: "Wherever a sprinkler can be put, put one; especially in those parts of the works where a fire seems least likely to occur."

Colorado Fire Business in 1897.

Names of Companies.	Losses		
	Premiums.	Paid.	Ratio.
Aachen & Munich	\$ 6,377	\$ 1,996	31.29
Ætna	30,035	6,484	21.59
Agricultural	14,360	2,048	14.26
Alliance Assurance	10,205	3,908	38.31
American, Massachusetts	2,129	1,210	56.83
American, New Jersey	5,757	467	8.15
American Central	9,666	3,738	38.67
American, New York	2,655	91	3.47
Armenia	1,878	1,473	78.38
Atlas Assurance	24,600	2,751	17.63
Baloue	58	...	...
British America Assur.	17,937	3,593	19.57
Boston Marine	1,218	...	...
Caledonian	14,019	1,836	13.09
Citizens	4,413	722	16.33
Commerce'l Union, Gr. Brit.	35,528	8,548	24.06
Commercial Union, N. Y.	1,220	787	64.50
Concordia	6,032	1,402	23.24
Connecticut Fire	25,051	8,710	34.87
Continental	43,914	14,815	33.72
Delaware	4,247	1,368	32.21
Eagle	4,441	44	.99
Farragut	5,894	3,757	63.72
Fire Association	32,385	4,355	13.76
Fireman's Fund	51,273	10,766	20.98

Firemen's, Maryland	2,321	832	35.82
Firemen's, New Jersey	1,682	...	...
Franklin Fire	5,549	2,300	41.45
Farmers Alliance, Colo.	11,675	4,087	35.01
German, Freeport	15,311	2,885	18.83
German, Peoria	5,375	462	8.59
German, Pennsylvania	2,839	3,003	105.74
German Alliance	2,447	369	15.07
German American	28,250	5,067	17.93
German Mutual, Colorado	2,111	47	1.41
Germania	2,142	23	1.06
Girard	5,310	726	13.67
Glens Falls	4,389	544	12.39
Greenwich	6,087	2,000	32.85
Grange Mutual	384	307	79.94
Hamburg-Bremen	7,891	5,559	70.44
Hanover Fire	6,186	656	10.60
Hartford Fire	56,094	13,351	23.80
Helvetia-Swiss	5,863	306	5.21
Home	40,893	5,614	13.72
Home Mutual, California	13,516	4,148	30.70
Imperial	21,878	6,835	31.25
Ins. Co. North America	51,351	7,271	14.35
Ins. Co. State of Penn.	7,253	1,567	21.60
Lancashire	18,139	2,404	13.81
Law Union & Crown	640	...	...
Lion Fire	16,461	10,347	62.81
Liverpool & Lond. & Globe	61,584	12,509	20.29
London Assurance	9,905	1,155	12.67
London & Lancashire	28,534	9,420	33.01
Lumbermens	4,075	276	6.52
Magdeburg Fire	6,217	389	6.26
Manchester Fire	27,157	5,405	19.87
Manufacturers & Merch'ts	2,664	137	5.15
Mechanics	5,717	1,924	33.65
Mercantile	2,239	34	1.58
Merchants, New Jersey	8,734	2,982	34.15
Milwaukee Mechanics	11,920	3,451	28.95
National Fire	44,857	14,192	31.63
National Standard	2,818	988	35.06
Niagara	18,627	3,796	20.33
North British & Mercantile	25,732	5,569	21.64
North German	16,222	5,569	34.58
Northern Assurance	15,040	4,462	29.66
Northwestern National	17,356	3,986	22.97
Norwich Union Fire	20,074	4,323	21.53
Norwalk Fire	1,492	72	4.88
Orient	10,319	894	8.67
Pacific	5,953	613	10.29
Palatine	28,161	5,904	20.96
Pennsylvania	17,327	4,391	25.35
Phenix, New York	41,017	18,130	44.20
Phenix Assur., Great Brit.	20,949	2,468	11.78
Phoenix, Connecticut	23,897	4,632	19.38
Providence-Washington	20,366	6,280	30.84
Prussian National	15,586	10,567	67.77
Queen	17,845	3,124	17.51
Reliance	3,247	87	2.68
Rockford	1,176	...	...
Royal Exchange	17,407	5,631	32.36
Royal	33,343	9,058	27.21
Scottish Union & National	25,359	7,408	29.61
Security	255	2,025	791.94
Southern	3,363	1,624	45.31
Springfield	31,690	5,795	18.28

Spring Garden	8,936	1,230	13.42
St. Paul	12,000	2,559	21.65
Sun Insurance Office	26,512	10,917	41.26
Svea	14,807	8,936	60.37
Teutonia	5,269	2,417	46.40
Thuringia	12,798	2,575	20.11
Traders	21,013	2,304	10.96
Transatlantic Fire	10,401	1,433	13.80
Union Assurance	7,968	1,558	19.55
Union	1,742	439	25.19
United Firemens	2,031	132	6.49
United States Fire	1,307	24	1.88
Victoria Fire, New York	400		
Westchester Fire	6,483	720	11.11
Western Assurance	27,268	1,611	5.90
Western Mutual	3,378	20	.59
Williamsburg City	5,772	154	2.67
Totals	\$1,525,756	\$376,799	24.66

Coast Review Insurance Chart.

Work on the Chart for 1898 is well under way, and will be completed as soon as the foreign offices file their figures. "Wait for it." No other like it.

A New Insurance Scheme in England.

The Insurers Finance Corporation undertakes to advance premiums to intending insurers at a uniform charge of ten per cent. The policy may be taken out in any office, and the corporation will pay the annual premiums, collecting the same by easy weekly or monthly installments. It is not stated that the risks are limited to any kind of insurance.

Continental Insurance Company.

Some very large gains were made by this New York company last year. Over \$800,000 was added to the assets, and the net surplus gained over \$550,000. The reinsurance reserve was increased \$143,000, and the premium income was \$202,000 more than in the previous year. Expenditures, including increased dividends, were over \$700,000 less than the income. The losses were only 47 per cent. of the premiums.

This very favorable year, with its added resources and bulging surplus, of course makes the Continental stronger than ever, and advances it to fourth place as regards fire premiums, among American fire offices. The Continental now has \$8,582,208 assets, of which \$3,117,995 is

net surplus, and \$4,117,995 is surplus as regards policyholders. Last year's premiums yielded a total of \$3,648,085, and the total income was nearly \$4,000,000.

Answers to Correspondents.

August.—Yes; we still have use for spare copies of the *August Coast Review* of last year.

Santa Rosa.—There are no means of ascertaining the annual fire premiums of your little city. No person, no office, has the totals. The correspondent of the *Republican* who says, speaking of the recent 25 per cent. reduction, that the annual premiums amount to thirty-five to forty thousand dollars is indulging in crude guesswork. The average fire premium per capita outside of the large cities is less than \$4, in California. Multiply Santa Rosa's by 4, and you probably have about the number of dollars paid yearly for fire insurance protection.

Pueblo.—The National Church Mutual of Iowa is not a responsible, legitimate enterprise.

Fire Mutual.—Our correspondent will find an interesting chapter on mutual fire insurance in the *Coast Review Manual* (formerly the *Otey*), on page 90.

Improvements which become Part of a Building.

Agents and brokers should bear in mind that "improvements" made by a tenant, some of which may be referred to as fixtures, become a permanent part of the building. The tenant really has no insurable interest in such improvements, in law, even when paid for by him. Trade fixtures of the detachable kind are meant by the term "fixtures." The *Coast Review Manual* (*Otey*) contains a useful chapter on this subject.

Ignorant brokers in Chicago—of the sort that don't read insurance literature—wrote policies for tenants on their improvements. The tenants leased a building and changed the front and put in new flooring and made other reconstructions which added to their convenience as well as to the value of the premiums. We assume that these improvements were recognized and indirectly paid for by the landlord, in the form of a low rent. Fire came and these improvements disappeared. The companies on the building are being held for the improvements, and the tenants are making a similar demand for the value thereof, insured by the companies which wrote \$80,000 on stock and improvements.

Connecticut Fire Insurance Company.**LARGE GAINS IN ASSETS AND SURPLUS FUNDS—NEARLY A MILLION NET SURPLUS NOW.**

The stockholders and management of the Connecticut Fire Insurance Co. may well be proud of its record for last year; and the many friends of the company will congratulate them on the substantial results which are exhibited in largely increased assets and surplus funds. Losses were less than 48 per cent. of the premiums, and both losses and expenses left a handsome balance of \$404,000 of the year's income.

The Connecticut Fire's assets are now \$359,327, which is a gain of over \$259,000. The reinsurance reserve, \$1,434,730, gained several thousand. The net surplus is the exceedingly handsome sum of \$984,018. This is a remarkable gain of some \$316,000 in the year.

Premiums amounted to \$1,674,233, and the losses incurred were only \$801,094, which is the lowest amount in six years. The loss ratio is among the lowest incurred by large American fire offices.

The progress of the Connecticut Fire is shown by a comparison of the following yearly increasing totals:

Year.	Assets.	Reinsurance Reserve.	Net Surplus.
Dec. 31, 1893 . . .	\$2,831,089	\$1,191,783	\$339,693
1894	2,972,633	1,279,531	444,410
1895	3,192,002	1,375,950	506,409
1896	3,300,018	1,430,015	668,332
1897	3,559,327	1,434,730	984,018

The company is in first-class condition—prosperous and growing, with \$1,984,018 surplus as regards policyholders. At the present rate of progress it will complete its first half century with considerably over \$4,000,000 accumulations and surplus funds to correspond.

The Connecticut Fire now has a separate Pacific Coast department, with Benjamin J. Smith as manager. The company wrote over \$102,000 in Coast premiums last year, and retained a good balance after paying all losses and expenses. Manager Smith is an experienced field man

as well as office man, and he begins under good auspices, with a good company.

Plate-Glass War in the Middle West.

The plate-glass rate-war in eight Western States, which began with the disagreement between a Chicago agency and its company, has resulted in general demoralization. Policies with a premium of \$100 heretofore are now being written for \$2 or \$3. This war has so far been confined to territory from which the St. Louis plate-glass insurers draw their principal revenues. The Union Casualty & Surety Co. has prudently kept out of the fight, retaining only the best business and allowing competitors to load up with the target risks. On March 3, however, the Union Casualty, in self-defence, gave notice of withdrawal from the plate-glass agreement, it covering only a part of the country. It seems likely that if peace is not immediately declared, the rate-war will extend to the Eastern States.

Denver's Five Assessment Life Insurance Associations.

Denver or Colorado has five assessment insurance associations, all seemingly doing a life business. They are: Bankers Mutual, Denver Life, Mutual Benefit, Select Life & Accident, and Union Mutual Benefit & Life. Their total premium receipts last year were \$35,733. As this is about enough to pay commissions and salaries, the five schemes are doing well. Only one or two are old enough to expect losses. When the payment of losses will not permit the payment of salaries, the associations will disband, and the officers will start new schemes with bright, catching names, either in Denver or elsewhere.

We are much interested in two of these associations' ads, appearing in *Insurance Report*—those of the Bankers Mutual Life and the Select Life & Accident. Our scrap-book is now adorned with these jim-jam gems of typography and temporary insurance.

Our interest has been aroused because the two secretaries of these new Denver schemes—and probably their organizers

—were not so very long ago prominently identified with the Bankers Alliance of Los Angeles. They have organized the Denver associations on the same lines, and issue a combination life and accident policy which must ultimately land both associations in the hands of receivers. By the way, will Messrs. Stone and Russell tell us why they so suddenly left the Bankers Alliance? And while they are at it they might give some reasons why their new imitations can hope to live any longer than the late bursted Los Angeles association, of which they are copies. If the Bankers Alliance rates were insufficient, how can the similar rates of the two Denver copies be sufficient?

Assistant Managers.

FROM A PAPER BY WM. H. BAGLEY, READ AT THE RECENT ANNUAL MEETING OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE PACIFIC.

No papers on this theme have been read at any of our meetings. Whv, I do not know, unless, like the moon, the assistant manager has been looked upon as a mild luminary who shines only by reflected light.

The limits within which the legitimate work of the assistant manager is to be restricted, have never, to my knowledge, been clearly drawn; but, as in the due course of time, the revolution of the earth around the sun was discovered, it may be that patient investigation will permit the tracing of those delicate yet fixed lines within which the assistant manager must follow his orbit.

In a department office the manager or general agent is the executive. The special agent has, to a large extent, the immediate supervision of the field. The chief clerk or accountant has charge of the office details. Is there then a necessity for such a position as that of the assistant manager, who is neither a general agent, a special agent, nor a chief clerk, yet should combine their best qualities? Before answering this question, let us consider the qualifications of the positions mentioned.

The manager or general agent may or may not be thoroughly familiar with all the minutiae of the office work from a practical experience, but a complete knowledge of the duties of every employe is desirable. It will scarcely be denied that some managers waste

time on details that might be used to advantage on broader points. By this it is not intended to convey the idea that the chief executive is to ignore the necessity of a close attention to detail by his office and field force, but he need not feel that it is absolutely necessary to give his personal attention to the items of ordinary routine. Inspecting daily reports and applications, and acknowledging their receipt; directing the adjustment of ordinary losses; correspondence about points of rating; collections and matters of a similar nature need not engross his time.

Take, for example, one day's business in an office with annual premiums aggregating from \$150,000 to \$300,000. A close and intelligent acquaintance with the minor details of that day's work is simply impossible for any manager to attain within the limits of the office hours.

In this enlightened age, it is now generally admitted that the quality of managerial work is deteriorated by attempting to burn the candle of working life at both ends, and devoting to business cares those evening hours that should be passed in rest and mental relaxation. The danger of over-training is just as great for the brain as for the body, and the inevitable result of work extended to unreasonable limits is the diminishing of vitality and a gradual yielding of intellectual forces to their great destroyer—worry.

"Modern science," we are told, "has brought to light nothing more curiously interesting than the fact that worry will kill. More remarkable still, it has been able to determine, from recent discoveries, just how worry does kill. Insidiously, like many other diseases, it creeps upon the brain in the form of a single, constant, never-lost idea, and, as the dropping water over a period of years will wear a groove in the hardest stone, so does worry gradually, imperceptibly, but no less surely, destroy the brain cells that govern all the rest—that are, so to speak, the commanding officers of mental power, health and motion."

While that is, perhaps, true, it should also be remembered that, in a business like ours in which success (independent of the capricious element of good or bad luck), so largely depends on the intelligent exercise of our business faculties keyed to their highest vital pitch, the notes should sound clear and true and there should be no relaxation of the strings, nor discordant tones, to mar the working harmony.

The habit of constant performance of routine

frequently exhausts the forces that might otherwise be directed into more profitable channels.

It would seem that the principal attention of the manager should be given to correspondence with his company or companies and with his special agents, and to the consideration of progressive and inventive plans for the extension and improvement of the business of his department; attendance on board and committee meetings; cultivation of the executive officers in charge of the departments of other companies, and other broad executive measures, leaving the clerical details to his subordinates, whose services should increase in value with the weight of their responsibilities.

The manager should have ample time for deliberation in the development of the best business in the various localities, and should personally visit, at least annually, the principal agencies of his department. This element of personal acquaintance has a powerful effect in stimulating and retaining business, and the value of an occasional visit by the executive, cannot, I believe, be over-estimated.

Assuming that my synopsis of the duties of these various positions is sufficiently accurate for the purposes of comparison, the question naturally arises, what, then, is the mystic circle within which lie the duties of the assistant manager, or, in plain terms, is the position of an assistant to the manager necessary and, if so, what is his appropriate work and what attributes should go to make up the ideal assistant?

Undoubtedly, the position is a necessary aid to the intelligent direction of the business, for it will be at once apparent that the grave responsibilities of the executive must, at times, owing to the necessary absence of the manager, devolve on some one else who should be, in a measure at least, adapted by education and experience to undertake the temporary control of the affairs of the department.

This necessity has been more directly acknowledged of late years, and the result is that, in San Francisco, there are now seventeen assistant managers, assistant general agents and assistant secretaries out of a total of forty-six offices. And there are other actual assistants who have not been honored with the title they deserve.

It will, of course, be understood that the following outline of what should comprise the duties of the assistant manager is based on my individual ideas of the limits within

which he can work to the best advantage of the company he serves, without conflicting with the appropriate work of the manager nor with that of the clerical force of the office. The assistant manager has a delicate, if not a difficult, position to worthily fill and he must neither arrogate to himself, in any degree, the commanding duties of the chief executive, nor should he waste time in an endless attempt to do work which, important though it may be, does not come within the legitimate scope of his position.

Some times learned counsellors, bred in technical knowledge of the law, do not subserve the best interests of companies in their dealings with loss claims. This view is not intended to underrate the value of a careful and energetic study of the legal phases of our business, involving a knowledge of the principles of law and a familiarity with legal decisions, but rather to emphasize the importance of practical experience gained only by the actual settlement of losses in the field. A correct knowledge of the law, combined with such an experience, is necessary to an intelligent treatment of loss claims.

Montaigne, more than two hundred years ago, remarked:

"We may learn from the learning of others: wise we can never be, except by our own wisdom."

The importance of a good knowledge of the capabilities of the special agents of other companies and of the independent adjusters will be apparent when losses, which cannot receive the attention of the company's special agent, come up for adjustment. The assistant manager, by his field experience, should be well qualified to aid in the selection of the right man to take charge of such adjustment.

In a general way it may be said that the assistant manager should have not merely a superficial acquaintance with the office work but a knowledge of every detail so thorough that, should occasion require, he can acceptably fill any position in the office. He should be able to find any book and trace any record at a moment's notice, without hesitation or inquiry.

In the very important matter of correspondence, the assistant should relieve the manager of the ordinary details and should be competent to answer agency letters in such a courteous and correct way as will clearly show that the English language is not suffering at his hands. It is unfair to expect operators on type-writing machines, in the hurry of their work to always turn ungram-

matical sentences into correct forms and, therefore, it is desirable that the assistant should be competent to dictate letters in a manner that will not invite unkindly criticism nor cause the agents to suspect that his early education was apparently not cultivated on a generous scale.

As a means of building up business and securing the adherence and continuous loyalty of agents, too much stress cannot be placed on the item of correspondence, the far-reaching value of which, when properly conducted, does not seem to be fully appreciated. While many agents are abnormally sensitive, they are, as a rule, appreciative and soon understand whether the attitude of the office toward them is that of indifference, impatience, or of sympathy and of hearty friendship.

The ideal assistant manager, as sketched in the preceding lines, may not, perhaps, actually exist, but the necessity for such a position is, I believe, apparent. However capably other positions may be filled, there should be some one person in each office who combines, to a requisite extent, the attributes of both field and office men, and is, therefore, not only qualified to take the helm with confidence when necessary, but who is, at all times, the intelligent coadjutor of the chief executive.

The Home, of New York.

Among American fire offices the Home Insurance Company ranks first in risks in force, second in assets and in surplus to policyholders, and third in amount of fire losses paid. Since organization it has paid \$71,000,000 in fire losses.

The Home's figures for January 1 make a grand showing. The assets are \$11,332,034, the net surplus is \$3,570,268, the policyholders' surplus is a million more, and the premium income for the year was \$4,567,307. Losses were only 48 per cent. of the premiums, and the wave of prosperity lifted the value of the company's securities. The company's very favorable experience in both respects added nearly a million to the assets and increased the net surplus one and a third million.

The large and paying business which the Home does in this field under the management of General Agent Arthur E. Magill, is a familiar fact to our readers

generally. During the past five years the Home's premiums from Coast territory have exceeded a million dollars, with less than 50 cent. loss ratio.

It is the Policyholders Who Pay.

When an insurance claim is paid it is said that the company paid it. In one sense, the literal, this is true; but in the broader sense the policy is paid by the policyholders. When you pay a life or accident premium you give something to relieve the necessities, to in some degree meet the financial loss, of a fellow policyholder or his family. And if you trump up a false claim you are cheating your fellow policyholders, not the company.

Too Soon.

A 3 per cent. interest standard for life insurance reserves is not yet needed, and will not be for the next twenty years and maybe fifty. Let those companies adopt this standard that choose to do so; but let legislation to that effect be condemned as premature and mischievous.

To say that the time has come when only 3 per cent. interest can be earned on safe investments in the United States, is to say that the Nation has reached that point when growth must cease because its natural resources have been completely developed. It is to say that no more railroads are to be built, no more canals to be dug, no more bad lands to be reclaimed, no more rivers to be bridged and leveed, no more 100,000 farms to be improved, no more war debts to be incurred.

The American life insurance companies are averaging $5\frac{1}{2}$ per cent. interest on their investments; and the smaller companies, with equally safe investments and better opportunities because handling smaller sums, are earning a considerably larger rate of interest. It is too soon by twenty years to seriously discuss a 3 per cent. interest standard.

The Western Union at its recent annual meeting in St. Louis, recommended commissions of 15 and 25 per cent., and in-

structed the large cities committee to prepare legislation placing the companies on an equality in the five cities. The governing committee's "plan of campaign" respecting preferred business and the competition of the outside offices is evidently satisfactory. Reinsurance abroad with "treaty companies" was referred to with a mild expression of disapproval.

Orient Insurance Company.

LARGE GAINS IN ASSETS AND NET SURPLUS LAST YEAR.

The annual statement of the Orient Insurance Company of Hartford, for the year ending December 31, 1897, presents substantial evidence of a prosperous year and added strength. The net surplus is now the handsome sum of \$735,278, the surplus to policyholders is \$1,235,278, and the gross assets are \$2,346,684.

These figures are larger than a year ago. A large sum was added to the assets last year, and the net surplus gained over \$173,000, after paying increased dividends. The Orient begins the year with bright prospects and with figures which must command the confidence of the most exacting property-owner. Its assets are more than double its liabilities.

Last year's experience was favorable. Losses and expenses left an underwriting profit of about \$100,000; and after paying everything, including dividends to stockholders, a much larger balance was left out of the year's income, to swell the reserve funds and increase the security of the Orient's policyholders.

Progress in recent years—very creditable progress too—is shown by the following comparative table:

Year.	Assets.	Net Surplus.
Dec. 31. 1893 . . .	\$2,091,694	\$322,696
1894 . . .	2,095,564	453,599
1895 . . .	2,242,203	513,838
1896 . . .	2,278,730	562,165
1897 . . .	2,346,684	735,278

A steady advance here, with more than a doubling of net surplus in five years.

The Orient completed its thirtieth year in '97. The management, under Pres-

ident C. B. Whiting and Secretary J. U. Taintor, is eminently conservative.

The Pacific department of the Orient is in charge of General Agent W. J. Callingham, who wrote some \$52,000 in premiums for the company last year.

The Covenant Mutual Life Association.

ANOTHER ADVANCE IN RATES EXCITES MEMBERS—ODD FELLOWS ARE INDIGNANT.

This Galesburg association, originally an Odd Fellows insurance branch, is not in a particularly happy mood. In 1896 the amount of new business written was the lowest in a number of years. The insurance in force has been falling off for several years. The figures for 1897 are not at hand, but it is probable that they are all of a downward turn. The mortality rate, too, has been steadily going up. The outlook for the association is therefore gloomy.

Recently the rates have been largely increased on about half the membership—the older members—who will be asked to find some of that pocket reserve of which we used to hear a good deal, but which nobody ever sees when it is needed.

Meetings of the "kicking" members have been held in various parts of the country, and vigorous protests have been filed. But they will do no good. The members must pay or step down and out. That is the kind of a contract they made.

According to the Stockton, Cal., *Mail*, one Julius Cohn, a dissatisfied member, says:

"I believe the company is trying to freeze out the old members. We have been deceived by the agent of the company who first insured us. I have been carrying my policy for fourteen years. I originally paid something over \$9 every two months; now I pay something over \$18. They raised me two years ago, and now they want to raise me again, and they tell me that they will raise me again the next two years. I received a circular letter from the company to that effect. When I took out a policy I was told there would be no raise in the premiums, but they increase them just the same. Now they have sent a proposition asking us to exchange our old policies for new

ones on some sort of a proposition that I don't quite understand, except that I can see that it means that we have to pay more."

The Sacramento, Cal., members are much disturbed over the Covenant Mutual Life Association's affairs. They held a meeting and painted the air blue with appropriate and emphatic speech. Then they appointed a soothing committee to prepare a poultice.

Wm. Boyne of Sacramento has prepared a bitter letter on the subject, addressed to the Galesburg association. It was read before a number of the local lodges of Odd Fellows. It is "hot stuff," but the right sort of document for a *Bee* to print. Here it is:

The Bogue Letter.

SACRAMENTO, March, 11, 1898.

To the Covenant Mutual Life Association, Galesburg, Illinois.—Gentlemen: When Mr. Reid, your agent, urged me to insure in your association I demurred on the ground that the premium was not sufficient to carry a man of my age, but with the volubility of a George Francis Train he insisted that it could be done, and tried to prove it by showing me by mathematical calculation how the old line companies were robbing the people. I insured with him and have since paid for that unfortunate transaction nearly \$500. When you raised my assessment to \$6.96 I submitted without remonstrance, although you said it was only to bridge over an extraordinary outlay.

Instead of going back to the old figures you raised me to \$10.25, and with the notice came a batch of superfluous statistics and literature. At this raise I did not demur because my own judgment agreed with yours, that the amount was just and equitable, and you assured me at the time that that amount coincided with the estimates of the most eminent actuaries of the country, and I was satisfied.

But now you notify me that I am to pay \$14.08, and with this notification has come another lot of fulsome statistics and literature to prove that it is necessary to re-adjust the assessment of all persons of my class once a year, and on the same basis as though they were new members.

Bret Harte has told the world that

For ways that are dark and tricks that are vain
The heathen Chinese is peculiar.

But your association could give the heathen many points and distance him at the end of the race.

Since you tell me very plainly that if I don't drop out now you will raise my assessment so high that none but a fool would pay it, I think I had better take the hint and quit now.

At the age of 40 I insured in an old line company for \$1,000, and paid it in ten annual payments, costing me \$590.90. In the event of my death that policy is worth \$1,200, and should I need cash in my lifetime the company will give me all it cost me.

I have paid your association nearly the same amount, and what have I got? Absolutely nothing, and yet you people prate about robbery by the old line companies.

When I think of the low cunning and the subtlety employed by the managers of the C. M. L. A., I can gracefully lift my hat to the memory of all the brave and manly outlaws of ancient and modern times, who placed life and limb in jeopardy when they intended to enrich themselves at the expense of others.

Your association was commenced under the auspices of the I. O. O. F., and through the influence of that organization you have prospered.

I will use the floor of every lodge I may reach as a traveling salesman to elucidate the difference between a policy in an old line company and one in the C. M. L. A., of Galesburg. My experience may be of advantage to young members.

Oh, yes, I am a little old, my limbs are not as flexible as in days gone by, but as the limbs stiffen the tongue loosens up in the same ratio.

You have lied to me for ten years; I will tell the truth about you while you live, which in my judgment will be, "till the swallows homeward fly." Good-bye.

WM. BOYNE.

Farmers' Alliance Insurance.

The Farmers' Alliance of Colorado, supposed to furnish cheap insurance, such as California dupes are persuaded they want, charged an average rate of \$1.79 last year, while the average rate for the stock companies was less than \$1.54. It was a favorable year, too, and the average ratio of loss incurred was only 24 per cent. of premiums; but the Farmers' Alliance, which charged the higher rate, incurred a loss ratio of 62 per cent. Its expense ratio was 60 per cent. of its pre-

miums, or twice the expense percentage of the stock companies. The premiums of the Farmers' Alliance were \$11,675, on business alleged to be "non-hazardous," but its losses and expenses thereon were \$14,000. We commend this experience to California farmers who have a craving for "Farmers' Alliance" liability fire insurance.

The Value of the Sprinkler.

FROM A PAPER BY W. S. DAVIS, READ AT THE RECENT ANNUAL MEETING OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE PACIFIC.

The first sprinkler, of which we have any authentic account, was invented in England in 1806 by Jno. Cary. According to his patent papers it was "a shower-bath for checking fires." The device was a system of piping running to all parts of the building and at certain intervals the sprinkler was inserted in the piping. The supply of water was from a tank on the roof, supposed to be kept full by the rain fall.

In 1809, another Englishman, by the name of Congreve, invented a sprinkler and alarm. This device was held closed by cement, which dissolved at a certain temperature.

Between 1809 and 1848 but little progress was made, but from 1848 to the present day, the ablest mechanics of England and America have devised various forms of apparatus by which water should be liberated by the heat, and distributed directly upon the seat of the fire.

The solder generally used for automatic sprinklers consists of bismuth, lead, tin and cadmium, and careful investigation made upon these solders does not reveal any change of melting point due to the effect of time on the solder.

In the year 1881 the insurance men became interested, and in that year the New England factory mutuals began investigating the subject, the result being a substantial endorsement, and special rules and rates were framed for risks properly equipped.

At least one fire is extinguished by automatic sprinklers each day, at loss to the insurance companies of about \$200 a fire.

Sprinklers were first accepted by the mutual offices of the New England States, and the older tariff companies "sat on the fence" and awaited developments. As there is no getting around facts and figures, the tariff com-

panies commenced a keen competition with the mutuals for sprinkler risks. For the past six years there has been in existence a separate organization under the title of "The Factory Insurance Association," consisting of a union of corporated stock companies, formed for the purpose of writing large risks exclusively on protected risks, and dividing them pro rata amongst the members.

Notwithstanding the very low rates at which this Factory Insurance Association is writing risks, which, for the sprinklers, would be termed hazardous, the business has yielded a magnificent underwriting profit. For six completed years the loss ratio of the Association over the whole of this business has been 6 per cent. of the net premiums, derived exclusively from the underwriting of sprinkler protected properties, and, if there were no other statistics or figures available, this record in itself shows the great value of automatic sprinklers.

We have accounts of the Times Mutual Company, a concern started for the express purpose of insuring only sprinkled risks. In 1893 their net premiums were \$17,620 and the losses 4.1 per cent. In 1894 premiums were \$25,795, losses 4.4 per cent. In 1895 premiums were \$31,410, losses 12.01 per cent. The aggregate sum paid in the three years, \$74,825, received in premiums, and \$5,685 paid out for losses.

Each sprinkler is a half-inch nozzle, five of which deliver as much water as a regular fire department hose stream when under equal pressure, or allowing fifteen to twenty sprinklers to discharge all the capacity of a first-class fire engine, the problem being to furnish water supply and not in its finding exit.

The jet flowing through the sprinkler nozzle strikes the splash plate attached to the head and spreads to meet or collide with the spray from neighboring sprinklers; here comes in a valuable effect not given by heavy hose streams; the effect of the water blast acts to check the draft of a fire or even to reverse draft and blanket a floor fire in its own steam. Another and more important effect obtained habitually by sprinklers is that of drenching over the entire area of a fire and also all around it.

Furthermore, the exclusion of oxygen by the spray is sometimes sufficient to extinguish under tables or up between joists where the spray may not be able to reach. You understand that I speak of sprinkler equipments at their best; many equipments cannot act in all the manners described and often do not need to.

The recent fire in the Stetson & Post mill is the first case of a saw mill on this Coast being saved from a total loss when the fire had obtained a headway. This fire originated in a building not equipped, and burned through the side of the mill. The sprinklers commenced their work, 187 heads opening. The owners state they had given the mill up as lost, but the sprinklers did the work and saved the mill. Loss of \$3,500 to the insurance companies, which would have been \$47,000 had the property been destroyed.

The sprinklers themselves have one hopeless fault, one which at times shatters unwarranted confidence—they do not create water. The sprinkler is merely an outlet and the pipes are conduits to guide the water supply. It is the water supply that sprinkler equipments find their principal limitation, and here is the most vital and hidden factor in an equipment.

In two hundred and five fires last reported to National Fire Protective Association at their meeting in New York, in May, 1897:

Practically extinguished	101
Held fire in check	75
Satisfactory	18
—	—
Total successful	194
Unsuccessful	10
No data	1
—	205

The following explanation is given of the 10 unsuccessful fires:

1. Equipment condemned. No insurance.
2. Water was shut off sprinklers.
3. Explosion by concussion of chlorate of potash in kegs located in drug room of a bleachery. All sprinklers opened. Fire was of too intense a nature to be subdued by sprinklers, which, however, played a part in the extinguishing.
4. Destructive grain elevator fire, which spread rapidly through a partially equipped tower.
5. Valve closed—no water.
6. Fire in carbonizer room of shoddy mill. Sprinklers badly corroded. But few opened and those slowly.
7. About one-half the mill, including shaving room where fire started, unsprinkled.
8. Incendiary fire. Pumps had been disabled.
9. Sprinklers where fire started were for some reason ineffective, but elsewhere in mill assisted in checking fire. Originated in dry house of woolen mill.

10. Water not on sprinklers—supply pipes temporarily disconnected.

I do not think that the fire offices need look with any alarm upon the reduction of premium income which a more general adoption of sprinklers would entail, because any office would be fully justified in making up for such diminution by increasing its own limit of holding to a percentage corresponding to the reduction of the premium. It has been demonstrated both abroad and at home, by the companies which devote themselves exclusively to the insurance of sprinkled risks, that it is sound underwriting to hold from two to three times the amount on a property equipped with a standard installation of sprinklers as compared with the amount which would be retained on the same risk unprotected by sprinklers. But even without any increase of limits the offices are not going to suffer. Risk or no risk, people will continue to insure; and even if we grant a shrinkage of premiums the sprinklers will earn for the fire offices such an increase in profits as will treble recompense the diminution of income.

It is an accepted fact that the most profitable portion of the fire offices' business is derived from the insurance of low-rated non-hazardous property, and sprinklers not only remove a risk from the hazardous to the non-hazardous category, but are the very best guarantee of the moral hazard. Automatic sprinklers are now an ascertained factor in estimating the cost of fire indemnity, and whether a risk be rated at one or ten per cent., a substantial reduction for sprinklers is equally justified.

Rates May be Again Advanced.

The doubling of rates by the Mutual Reserve Fund does not carry with it any assurance that rates will not again be raised. A. B. Farnsworth, 317 Broadway, New York, who ought to have known better than to accept the association's policy, asked John O'Connor, the Mutual Reserve's special representative, if there was any assurance that rates would not again be raised. The reply was, "None!" Mr. Farnsworth has withdrawn from the association.

A **FALLEN STAR**.—The members of the Chicago Star Accident are being stirred to wrath by the demands of the receiver who wants only \$150,000 as a starter. This journal warned the Coast public against this baleful Chicago Star.

General Statistics of Life Insurance Companies.

No.	COMPANIES.	LOCATION.	Assets Jan. 1, 1898.	Assets Jan. 1, 1897.	Insurance in Force 1898.	Insurance in Force 1897.	Written in 1897.	Written in 1896.	Surplus.
1	Pacific Mutual Life	San Francisco	\$ 3,250,518	\$3,083,952	\$20,628,744	\$17,046,586	10,198,100	7,776,693	\$216,323
2	Alma Life	Hartford	47,594,467	45,555,272	150,661,808	145,435,041	21,770,855	22,322,048	7,493,480
3	Connecticut Mutual Life	Hartford	63,588,661	62,163,318	157,701,387	157,432,626	21,770,855	10,355,237	17,300,136
4	Conventual Mutual Life	St. Louis	33,571,571	32,327,270	8,309,270	6,410,060	4,190,694	4,190,694	10,531,911
5	Equitable Life	New York	225,910,086	215,454,128	954,035,837	915,102,910	156,455,693	127,091,684	50,510,155
6	Germania Life	New York	22,723,677	22,382,432	73,443,982	71,074,980	11,144,740	9,432,457	2,571,506
7	Home Life	New York	3,058,216	3,184,857	43,143,982	41,074,980	11,144,740	9,432,457	1,108,104
8	Manhattan Life	New York	14,016,582	14,001,373	56,156,660	57,069,441	8,614,217	8,322,023	1,285,184
9	Massachusetts Mutual Life	New York	20,312,612	18,540,039	100,015,660	102,967,461	20,145,044	20,156,550	1,758,383
10	Mutual Benefit Life	Springfield	63,024,072	60,742,085	232,313,820	211,556,108	31,143,186	30,500,633	4,922,223
11	Mutual Life	New York	253,796,477	234,744,148	958,906,208	917,030,011	31,143,186	*123,670,834	35,748,151
12	National Life	Montpelier, Vt.	4,898,092	13,542,844	70,063,080	72,474,721	13,873,106	13,611,204	1,820,166
13	New England Mutual Life	Boston	26,000,136	25,010,044	104,876,920	101,006,092	15,031,715	10,320,563	2,127,426
14	New York Life	New York	260,004,100	187,176,465	805,084,225	826,816,618	*185,555,794	*123,812,865	23,372,031
15	Northwestern Mutual Life	Minneapolis	103,375,536	102,633,043	413,081,370	381,107,429	57,307,655	52,305,155	22,100,143
16	Peoples Mutual Life	Philadelphia	32,218,031	20,465,520	147,673,507	131,504,576	33,056,688	24,514,312	3,941,877
17	Provident Mutual Life	Hartford	11,055,127	10,055,127	46,021,007	42,216,841	11,770,080	9,294,430	4,204,324
18	Provident Savings Life	New York	2,201,616	2,042,200	81,884,308	80,174,083	25,417,208	21,520,978	3,722,635
19	Traders Life	Hartford	22,808,004	17,531,556	91,882,210	88,213,267	14,507,249	12,302,710	3,202,635
20	Union Central Life	Portland, Me.	18,705,130	16,304,769	106,517,341	93,008,215	33,027,324	30,187,212	2,015,984
21	United Mutual Life	New York	7,213,215	7,000,697	30,943,375	38,086,494	8,200,400	7,703,125	5,148,321
22	United States Life	New York	7,611,972	7,404,011	37,908,353	37,703,775	6,556,270	6,500,935	7,222,507
23	Washington Life	New York	14,501,110	13,943,452	50,302,235	48,813,537	9,342,053	8,064,472	5,883,923

* Paid-for business. † Company's three per cent. interest Standard.

There are Fresher.

In Michigan the Mutual Life ranks first.

The S. E. T. A. meets in Comfort, May 4.

Secretary Brown of the Westchester has la grippe.

Rates on New York "fire-proofs" have been suspended.

Orear of Missouri has let the bars down for the "underwriters."

The Hietvetla-Swiss and the Svea have been admitted to Nebraska.

Next annual meeting of Western Union, Niagara Falls, September 13.

The U. S. Casualty has canceled its business generally west of the Missouri.

The Travelers has been refused permission to do a liability business in Minnesota.

The Security Savings Life Association of Oshkosh, Wisconsin, is dead, in its fourth year.

Public libraries have been added to the list of term risks by the New England Ins. Exchange.

The United States Life will permit policyholders to enlist in the event of war, without extra charge.

The Metropolitan Fire has taken over the business, assets and liabilities of the Commercial of Scotland.

New York now requires a reserve to be set aside for all "stipulated premium" contracts of assessment life associations.

The Missouri insurance department has ruled against "annexes" or "underwriters," on the ground that they violate the anti-trust law.

President Stevens' 74th birthday was observed by New England Mutual Life agents, last month. They turned in a lot of extra business on that day.

L. C. Campbell is South Dakota's new insurance commissioner. For eight years past he has been a general agent for the Northwestern Mutual Life.

It is reported that the Hartford Life Ins. Co. is to be sold to Boss Croker, and that every Tammany politician must take out a policy in that peculiar company.

The "most popular firemen" who won prize policies in the Bay State Beneficiary are now wondering whether they will have any salary left after paying the assessment levied by the receiver.

The Colorado Underwriters Club is a new general association which purposes to make friends of the enemy, the public. Every member who pays an annual due of \$1 can do pretty much as he pleases.

President Moore of the Continental suggests as a good object lesson for Spain that 100,000 American rich men offer the government \$1,000 each as a loan without interest. He says he stands ready to send his check for \$1,000.

Minister of Finance Fielding of Ottawa said to a number of complaining Mutual Reserve policyholders that it was quite clear to him they had been "insured under false representations," but that the government could not help them.

Table Showing the Results of Life Insurance in the United States.

Companies.	Date of Organization.	Gross Premiums Received since Organization.	Gross Amount Paid Policyholders since Organization.	Gross Assets Dec. 31, 1897.	Payments to Policyholders since Organization plus present Assets	Excess of Payments to Policyholders plus present Assets over Premiums Received.
Aetna	1820	\$ 129,962,489	\$104,738,998	\$ 47,584,967	\$ 152,323,965	\$ 22,361,476
American Union	1893	545,349	126,626	539,689	666,315	120,975
Berkshire	1851	24,894,455	17,228,938	8,149,601	25,378,539	484,084
Brooklyn	1864	10,403,539	7,846,097	1,712,433	9,558,530	—845,009
Connecticut Gen.	1865	7,333,345	4,434,016	3,045,169	7,479,185	145,840
Connecticut Mut	1846	196,855,215	188,791,557	63,588,661	252,380,218	55,525,003
Covenant Mutual	1853	2,790,946	2,101,735	466,681	2,568,416	—223,530
Equitable, Ia	1867	3,026,613	1,361,483	1,627,136	2,988,619	—37,994
Equitable, N. Y	1859	510,417,835	276,203,654	236,876,308	513,079,962	2,662,127
German Mut. Mo	1858	853,555	811,822	487,438	1,299,260	445,705
Germania	1860	58,112,374	38,331,243	23,723,677	62,054,920	3,942,540
Home	1860	29,266,114	19,827,347	9,958,217	29,785,564	519,450
Iowa	1881	1,958,614	990,568	434,842	1,425,410	—533,204
Kansas Mutual	1882	1,857,395	1,007,657	338,393	1,346,050	—511,345
Manhattan	1850	51,020,800	42,114,385	14,916,582	57,030,967	6,010,167
Maryland	1865	4,404,360	2,893,928	1,862,842	4,756,770	352,410
Mass. Mutual	1851	52,330,508	32,436,875	20,342,647	52,779,522	449,014
Michigan Mutual	1867	14,726,547	7,068,559	5,638,173	12,706,732	—2,019,815
Mutual, Ky	1866	7,380,258	4,817,989	2,810,683	7,628,672	248,414
Mutual, Md.	1870	1,497,294	808,979	205,880	1,014,859	—482,435
Mutual, N. Y	1842	645,079,982	462,997,251	253,786,438	716,783,689	71,703,707
Mutual Benefit	1845	185,745,685	159,206,884	63,668,037	222,874,921	37,129,236
National	1848	29,817,997	14,837,946	14,826,992	29,664,938	—153,059
New England Mut	1835	83,387,082	70,094,901	26,939,136	97,034,037	13,646,955
New York	1841	448,221,441	254,673,682	200,694,441	455,368,123	7,146,682
Nor'western Mut	1857	174,123,958	90,158,113	103,375,536	193,533,649	19,409,691
Penn Mutual	1847	73,593,114	44,642,364	30,929,474	75,571,838	1,978,724
Phoenix Mutual	1851	45,725,218	38,006,912	11,055,127	49,062,039	3,336,821
Provident L. & T	1865	55,704,969	27,843,231	34,404,482	62,247,713	6,542,714
Provident Savings	1875	20,959,332	13,813,335	2,332,670	16,146,005	—4,813,327
State Mutual	1844	27,121,911	15,461,685	13,455,690	28,917,375	1,795,464
Travelers'	1863	30,092,272	13,150,351	22,868,994	36,019,345	5,927,073
Union Central	1867	35,319,662	13,589,147	18,705,130	32,294,277	—3,025,385
Union Mutual	1848	38,568,204	30,160,144	7,236,556	37,396,700	—1,171,504
United States	1850	30,210,013	21,258,873	7,623,101	28,881,974	—1,328,039
Vermont	1869	1,464,348	684,824	490,882	1,175,706	—288,642
Washingtou	1860	44,511,367	30,394,277	14,526,299	44,920,576	409,209
Totals		\$3,079,275,151	\$2,066,016,376	\$1,271,230,904	\$3,337,247,280	\$ 257,972,129

NOTE.—Industrial companies not included.

—From the Boston Standard.

Fricke on Life Insurance.

The annual banquet of the Wisconsin Association of Life Underwriters brought out some interesting remarks by Insurance Commissioner Fricke, who was a guest. It is evident that the speaker has been a student of insurance literature during his term of office. We make a few characteristic quotations, as follows:

Life insurance demands absolute certainty; certainty as to the amount to be paid the beneficiary—as to the premium to be paid by the insured, and certainty as to the honesty and integrity in the management of the company. The scientific study of the duration of

human life has given to the world the tables of mortality which prove beyond question that there are but few things less subject to fluctuation than the average duration of life in a multitude of individuals. You might as well attempt to conduct a bank and ignore interest and the financial standing of your customers, as to attempt to conduct the business of insuring lives and ignore the teachings of the law of mortality. Without calculating or basing the rate upon tables of mortality, the policy of life insurance becomes a pure and simple gambling contract.

Countless thousands would have been saved and endless misery averted had the legislator

but realized that recognition of mortality tables has never wrecked a life insurance company, and that charging a sufficient premium based upon these tables has never weakened the financial ability of a company to pay its claims in full. Mismanagement has caused failures in life insurance, as in every other line of business, but history does not record the fact that a life insurance premium based upon mortality tables has caused the failure of a single company.

There has been no business in the world that records so few failures as does the one and only one system of life insurance. I have read much about the "two systems," and the "three systems" of life insurance, but try as I would, and I have earnestly and faithfully tried, I can find but "one system" which can be conducted safely and surely only by one of two methods: Either the premium must be sufficient to enable the creation of a reserve sufficiently large on each policy to make up future deficiencies or equalize the increasing hazard of increasing age by diminishing the liability of the company, or the premium payments must be an increasing amount to at all times cover the current or actual cost according to the attained age of the insured. By no method can insurance be written extending over a period of more than one year without the accumulation of a reserve or without a gradual increase in cost.

Mortality tables have never betrayed life insurance, but the experiments of thirty years to ignore them, furnishes to the American people a record of wrecks and failures, which in any other civilized country on earth would have called for greater accommodations in penitentiaries, and long since have placed upon the statute books a standard of solvency to which all companies, organizations or associations offering contracts of life insurance would be compelled to conform.

Look at the record in Wisconsin during the past three years. Thirty of the companies and associations refused license or admission have since failed, of which number twenty-two claimed to be life insurance associations—with unpaid death claims running in one association as high as \$700,000. In addition one Wisconsin association chartered by the legislature, made an assignment and left as a legacy \$60,000 of unpaid death claims and about 3,000 law suits for the collection of assessments.

Most of the associations are attempting to insure lives for less than the actual net cost according to the experience tables, relying

upon increase in new members to keep down the death rate and the cost, forgetting, however, that the larger the influx of new members paying less than the net cost the more surely and swiftly are they steering upon the rocks of failure and ruin. The argument that "the reserve is in the pockets of our members" is not carried out by experience: if that is the only place where a reserve is kept, it is ever out of the reach of a receiver. New members sufficient to keep the payments below the net cost is an impossibility for any length of time.

All these associations are required to have medical examination of applicants. In 1896 two of the associations transacting business in this State had a death rate of twenty-one and twenty-two per thousand, while the annual death rate of the city of Milwaukee since 1890 has been but seventeen per thousand: here we have the young, the aged, the sick and healthy, a population of nearly 300,000 without a medical examination and a death rate of but seventeen per thousand; while on the other hand, we have two associations with a membership of nearly 150,000 adults, all of whom are required to pass a medical examination, and a death rate of over twenty-one per thousand, simply because they ignored the tables of mortality, kept the reserve in the pockets of their members and relied upon the new blood. There are in this country between 500 and 600 of this class of associations, and among them, the rate of failure is one per week.

Marine Business and Lloyds.

Probably no business was ever carried on in a manner more calculated to foster and encourage rate-cutting, with all its attendant evils, than the system of marine insurance as practiced at Lloyds (says *Insurance Spectator* of London). Some have suggested, so fierce is this competition, that it must be due to something beyond the simple desire for business. In short, that there is a powerful combination amongst the marine insurance companies, working with the simple aim to exterminate Lloyds. This is not to be done by rate-cutting, whilst there is no sharing of profits and losses between the companies. This sharing will never be arranged. Each company fights for its own hand. A tariff cannot be established in opposition to Lloyds, which is too ancient and too strong a body of independent underwriters to be defeated by such tactics. To bring into marine insurance anything stronger in the way of a tariff than

the classification by "Lloyd's Registry," which institution must never be confounded with the underwriters using Lloyd's room, a combination of some twenty large interests, with the more important of some two hundred or more smaller interests, would be needed. What Napoleon of marine insurance is there to arrange such a combination? The oldest and at one time the most profitable form of insurance, appears to be about to undergo great changes. The present position of those engaged in the business is a trying, if not a perilous one.

Fire Business of New Mexico, 1897.

Company.	Prem's.	Losses Paid.	Losses Incurred.
*Norwich Union	\$ 3,456.47	\$3,262.43	\$5,296.18
Northern	2,779.35	1,408.70	668.70
*Atlas	2,796.62	3,151.03	3,149.53
Liv. & Lon. & Globe	8,408.34	671.02	1,771.02
Phenix, Brooklyn	2,158.62	15.26	15.26
Royal Exchange	3,221.89	981.59	...
Connecticut	2,532.09	1,470.70	...
*Hartford	8,070.88	4,430.12	4,225.57
*British America	3,427.14	96.88	...
*Scottish Union	7,152.33	1,636.10	236.10
*Fire Association	5,939.47	2,830.90	3,520.66
*National	10,440.82	2,174.63	1,953.78
*Insur. Co. North Amer.	9,822.31	4,057.66	4,041.26
*London & Lancashire	4,569.21	979.30	979.30
*Etna	4,001.43	757.93	757.93
*Royal	11,401.61	5,266.34	5,251.34
*Springfield	6,760.74	1,736.58	1,801.65
*North British & Merc.	3,491.81	36.75	36.75
*American Central	2,251.67	2,397.43	2,397.43
*St. Paul	3,467.73	475.88	410.10
*Fireman's Fund	11,316.94	4,209.45	3,492.95

* Companies which have complied with the new deposit law.

Colorado Life Business in 1897.

	Written.	Prem's.
Etna Life	\$216,189	\$39,124
Equitable Life	504,244	217,241
Germania Life	477,757	47,716
Home Life	195,135	19,650
Manhattan Life	126,335	11,199
Massachusetts	261,000	20,256
Mutual Benefit	378,328	77,537
Mutual Life	1,181,750	215,022
National Life	30,349	12,524
New England Mutual	319,970	42,404
New York Life	1,233,064	271,546
Northwestern Mutual	954,157	295,608
Pacific Mutual	327,574	43,616
Phenix Mutual	278,500	...
Provident Savings	90,100	10,395
State	48,209	3,118
Travelers	285,390	49,710
Union Central	242,504	14,292
Union Mutual	55,237	11,951

United States	543,190	33,746
Washington	123,658	19,451
Totals	\$9,629,726	\$1,589,498

Colorado Miscellaneous Business.

	Prem's received.	Losses incurred.
Etna Life (accident)	\$ 7,174	\$ 7,630
American Surety	9,588	8,050
Employers Liability	19,497	8,431
Fidelity & Casualty	14,093	8,012
Fidelity & Deposit	11,594	66
Frankfort	25,545	*16,129
Hartford Steam Boiler	7,774	4
Interstate	3,832	788
Lloyds Plate Glass	2,508	691
London Guarantee	86,936	43,208
Metropolitan Plate Glass	3,395	921
N. J. Plate Glass	1,787	641
N. Y. Plate Glass	2,565	1,295
Pacific Mutual	15,180	8,177
Preferred Accident	14,435	*8,676
Standard	13,395	8,079
Travelers	26,294	*26,251
Union Casualty	43,972	29,496
United States	13,478	*9,454
Totals	\$194,612	\$127,509

* Paid.

FORBIDDEN THE MAILS.—That's what Washington, D. C., members of the Mutual Reserve Fund will ask the postal authorities to do for the association. They have formed an organization of kickers over increased assessments, and will go before Congress with their grievance. And yet down in Los Angeles Receiver Washburn is trying to steer Bankers Alliance members up against this Mutual Reserve Fund.

Now the Equitable Life has withdrawn from Kansas. This makes about a dozen companies which have withdrawn from that State, rather than be subjected to the petty persecutions of the scoundrel superintendent of insurance. These withdrawals of companies are rather hard on agents and companies, but it should teach them the lesson that as good citizens they must go into politics. They must do their share of the necessary work required to name and elect good men, and to defeat bad men like McNall and Leedy. In California too.

As a result of the fire inquest law, incendiary fires in Maine have fallen from 46 to 18 per cent.; in Portland, from 19 to 7 per cent.

Local agents can be a power in politics if they are so minded.

The German-American Insurance Company.

WONDERFUL GAINS LAST YEAR—NEARLY SEVEN HUNDRED THOUSAND ADDED TO NET SURPLUS.

Last year's experience of the German-American Insurance Company of New York was a little better than the usual good. Extraordinary gains were made in assets, reinsurance reserve and surplus, and a substantial gain in premiums was also made.

Some of these gains are wonderful. Over \$764,000 was added to the assets! Nearly \$672,000 was added to the net surplus!

The growth of the German-American has been phenomenal. Organized in 1872, in twenty-five years its annual premium income has advanced to \$2,720,969, and its assets have risen from the initial capital to nearly eight millions, nearly half of which sum is net surplus. Uniform prosperity has enabled it to pay handsome dividends, and still add largely to its reserves.

Recent progress of the German-American is briefly told in the following compilation:

	<i>Assets.</i>	<i>Net Surplus.</i>
December 31, 1893 . . .	\$5,997,403	\$1,657,353
1894 . . .	6,240,099	1,856,375
1895 . . .	6,580,069	2,413,087
1896 . . .	7,070,423	3,007,088
1897 . . .	7,834,699	3,678,999

On the Pacific Coast the German-American wrote \$236,839 premiums last year, under the successful management of Geo. H. Tyson, general agent. The losses were less than 34 per cent. of the premiums. The premiums of Mr. Tyson's general agency advanced from \$186,826 in 1896 to \$253,626 in 1897. In the past five years premiums have aggregated over eleven hundred thousand, with an average loss ratio of only 43 per cent., including two rate-war years.

What salaries do you pay your president, vice-president, secretary, book-keeper, janitor, etc.? Such is the impertinent question asked by the blackguard insurance superintendent of Kansas. To

answer it is to give information of a private nature, which nobody but the directors and the receiver of the salary has a right to know. The answer to the question of the State official becomes a matter of record and is public property. It is information not needed to determine the solvency of a company, and the framers of the insurance laws never contemplated the possibility of so absurd a question by an insurance commissioner. The independent, self-respecting spirit of the management of the companies which refuse to give this information is admirable.

The German Alliance Insurance Company.

This New York company is an independent, capitalized corporation. It is not an "annex" or an "underwriters." The assets of the German Alliance are its exclusive property. A number of the stockholders of the company being also stockholders of the German-American, the suggestion that the German-American management be given charge of the new company was adopted. Secretary Kremer was therefore elected secretary of the German Alliance. The new enterprise began the new year with \$130,282 net surplus.

The German-American management having charge of the German Alliance business, the policies of the latter are very properly guaranteed by the former; but the agent of the German Alliance is in no sense also the guarantor's agent, for not a dollar of the German Alliance assets is owned by the German-American. The business acquired by the new company might as easily have been acquired, without the creation of a dollar of capital, by the German-American people, had they so desired, by the organization of an underwriters' agency, with policies guaranteed by their own big company. This fact should finally dispose of any possible report that the German Alliance is merely an "annex."

The German-American guaranteeing all policies of the German Alliance, the business is written in this field, through the general agency of Geo. H. Tyson, under

the name of the German Alliance Insurance Association, for which both companies are liable.

Hanover Fire Insurance Company.

For several years the assets, reinsurance reserve and surplus of the Hanover Fire of New York have been advancing. Last year the gains were extraordinary. Over \$400,000 was added to the assets, and the net surplus gained nearly \$300,000. Losses and expenses left a handsome balance of \$300,000 out of the year's income.

The Hanover Fire now has \$2,997,556 assets, and over half of this amount is surplus to policyholders. Surplus over capital and all liabilities is \$584,870. For every dollar of liabilities, not including capital as a liability, the company has over two dollars cash funds.

The Hanover is in fine condition, with a handsome net surplus in addition to its million of paid-up capital. It has always done well in this field, under the management of Cesar Bertheau. Last year its Coast premiums exceeded \$66,000, with losses incurred only 37 per cent. of the premiums.

Receiver Washburn's Little Game.

The receiver of the late Bankers Alliance, W. J. Washburn, is out with a circular to the policyholders, in which he vehemently professes to be "actuated by an honest desire" to serve their "best interests." He puffs the troubled Mutual Reserve Fund, and urges the unfortunate victims of one dead humbug to become victims of another sick humbug.

Your little game won't pan out well, Washburn. The present condition of the Mutual Reserve Fund, with its advancing rates and raging policyholders, is too well known. How much does the sick and needy Mutual Reserve Fund allow you per victim decoyed into its trap? That's the question which we imagine every Bankers Alliance victim is asking. He concludes that if, as you say, "Curry attempted to do an underhand and selfish thing" when he tried to transfer the members to the Chicago Guarantee Fund

Life Society, the legitimate inference is that you too are attempting "to do an underhand and selfish thing" when you try to transfer the members to the storm-rocked and befogged Mutual Reserve Fund.

There seems to us to be no choice between the Chicago Guarantee Fund and the Mutual Reserve Fund. The former has nearly \$100 assets per member; the latter has less than \$50 per member. Both are loaded with bad risks, for which there is no adequate reserve. Wholesale repudiation, permitted by the courts and insurance departments, is all that can save either from the same failure that befell the Bankers Alliance. We don't believe that either can be saved.

Should Withdraw in a Body.

Fourteen or fifteen companies have withdrawn from Kansas, and more likewise self-respecting and independent are likely to follow their good example. The State seems accursed. Even the grasshoppers left it in disgust.

The course of McNall, compared with whom the California commissioner is a mere tyro in humbuggery and demagoguery, is familiar to all readers of insurance papers. The most accomplished black-mailer would not act differently.

But this occasional retirement from the State, with a mild protest, can not accomplish anything, so far as public opinion is concerned. The companies should withdraw in a body, with a dignified statement of the reasons therefor. The sensible, honest people of the State would acknowledge the justice of the companies' position, and would express themselves in language which even a populist could comprehend without rupturing a blood-vessel in his weak brain.

NEWS!—The Louisville, Ky., *Journal* is authority for the statement that Young E. Allison narrowly escaped being mobbed, and possibly lynched, in San Francisco, when he delivered his address before the Underwriters' Association there. Most people have a great deal of difficulty in understanding Mr. Allison's wit.—*Insurance Journal*.

Oregon Insurance Business.

The following is a statement of the gross business done by the insurance companies in the State of Oregon, for the year ending December 31, 1897, compiled from the annual statements filed in the office of Hon. H. R. Kineaid, insurance commissioner:

	<i>Gross Prem's received.</i>	<i>Premiums returned.</i>	<i>Losses paid.</i>	<i>Net Results.</i>
American Central	\$ 9,297	\$ 3,147	\$ 2,330	\$ 3,819
Ætna	17,846	2,746	9,645	12,392
American Fire, Philadelphia	30,927	5,449	16,507	8,879
Alliance Assurance	9,507	1,062	2,001	6,353
Aachen & Munich Fire	8,794	1,676	12,308	...
Connecticut Fire	21,500	4,924	9,343	7,232
Continental	20,263	2,397	8,693	9,172
Caledonian	19,184	2,740	2,536	13,908
*Commercial Union	107,663	9,903	18,660	79,099
Fire Association	23,967	4,342	9,801	9,824
Fireman's Fund	32,804	4,864	17,338	10,602
German-American	49,622	12,661	10,430	26,527
Hamburg-Bremen	16,158	5,655	9,768	734
Home, New York	28,282	3,884	21,544	3,454
Home Mutual	32,218	5,811	14,848	11,558
Hartford	35,134	6,579	13,442	15,113
Insurance Co. North America	15,848	1,977	7,890	5,081
Imperial	30,124	5,845	7,583	13,428
London Assurance	11,529	2,443	5,397	3,688
Lancashire	13,877	1,528	5,166	7,182
London & Lancashire	35,022	4,712	17,321	12,989
Lion	22,458	5,417	7,073	9,968
Liverpool & London & Globe	38,808	6,341	17,588	14,875
Magdeburg	11,187	2,322	4,611	4,252
Manchester	25,033	3,576	4,063	17,394
National, Hartford	20,826	6,002	9,140	5,593
North British & Mercantile	27,252	4,125	6,305	16,821
Norwich Union	34,649	6,753	10,671	17,224
Northern Assurance	11,529	2,443	5,397	3,688
New Zealand	19,175	3,309	3,867	11,999
Orient	8,309	1,667	2,466	4,176
Pennsylvania	17,161	3,502	2,852	6,354
Phoenix, Hartford	28,882	3,884	21,544	3,454
Phoenix, London	17,770	5,027	23,054	...
Palatine	21,907	5,013	13,386	3,507
Queen of America	15,366	3,944	4,426	6,965
Royal	59,046	19,052	29,348	10,644
Royal Exchange	23,667	3,058	10,065	10,543
Springfield	24,181	13,439	6,110	4,635
Sun Insurance Office	24,410	4,730	12,962	6,718
Scottish Union	22,170	4,976	7,552	9,641
St. Paul	4,005	1,351	191	2,553
Thuringia	27,393	6,731	4,276	16,385
Union Assurance	14,568	3,456	3,805	7,337
United States	3,821	1,416	3,211	...
Western	13,227	2,328	4,955	5,943

* Includes marine business.

Life, Accident, etc.

	<i>Gross Prem's.</i>	<i>Losses paid.</i>	<i>Premiums returned.</i>	<i>Net Prem's.</i>
Ætna Life	\$ 11,624	\$ 20,000	\$. . .	\$. . .
Connecticut Mutual	10,947	16,654	1,006	...
Equitable Life	113,169	14,000	892	98,277
Fidelity & Casualty	2,439	506	41	1,892
Fidelity Mutual	5,121	...	...	5,121

ITEMS.

The Metropolitan Life pays industrial claims by telegraph.

Equitable Benefit of Kalamazoo, Mich., has failed. It will be duplicated.

Half-price liability insurance is as big a fraud as half-price life insurance.

The Employers Liability of London is about to erect a home office building.

Had there been no State supervision there would have been no Guarantors failure.

The U. S. circuit court of appeals for Texas recently ruled that murder is not an accident.

Among the Connecticut life offices the Phoenix Mutual leads in new business in the home State.

Illinois fire experience last year: premiums, \$13,085,746; losses, \$7,099,644. Col. Alson Old should object to so much profit. Down with Illinois rates!

Cairo, Ill., policyholders of the name-stealing Covenant Mutual of Galesburg have unanimously resolved to not pay the increased assessments.

Herrmann's \$10,000 claim against the National Life of Hartford must be paid, says the supreme court of New York. The association professed to be not satisfied with the proofs of the magician's death.

Property-owners should take warning from the disastrous failure of the Guarantors. It made much of the fact that it was a non-board, anti-trust, anti-compact, anti-monopoly company. Habitual rate-cutters furnish poor indemnity.

Frankfort	12,691	3,299	9,391
Germania Life	1,188	10,000	11,188
Hartford Life	4,316	1,000	5,316
Home Life, N. Y.	5,727	1,993	7,720
Mutual Life	70,731	27,508	98,239
Massachusetts Mutual	36,347	3,000	39,347
Mutual Benefit	13,338	1,760	15,098
Mutual Reserve Fund	7,039	7,039	14,078
Northwestern Mutual Life	83,555	27,800	111,355
New York Life	109,246	161,525	270,771
Provident Savings Life	3,378	31	3,409
Pacific Mutual	26,524	13,715	40,239
Penn Mutual	33,322	2,000	35,322
Preferred Accident Ins. Co.	6,861	1,075	7,936
Standard Life & Accident	5,731	1,821	7,552
Travelers	7,207	1,966	9,173
Union Mutual Life	11,037	9,061	20,098
Union Casualty & Surety	195	195	390
Union Central Life	2,911	2,911	5,822
Washington Life	3,198	2,250	5,448

Miscellaneous.

	<i>Gross Prem's.</i>	<i>Premiums returned.</i>	<i>Losses paid.</i>	<i>Net Prem's.</i>
New York Plate Glass	\$ 153	\$ 2	\$ 41	109
Metropolitan Plate Glass	271	22	251	251
Lloyds Plate Glass	751	15	718	718
Thames & Mersey Marine	10,405	1,487	8,904	8,904
Hartford Steam Boiler	499	499	499	499
Fireman's Fund, Marine	3,253	270	2,730	2,730
American Surety	196	451	3,745	3,745
New England Burglary	232	21	310	310

Acetylene Gas.

Permits for the erection and operation of acetylene gas plants in San Francisco must hereafter be procured from the fire marshal.

Acetylene bicycle lanterns are the latest.

This very dangerous gas is the product of carbide of calcium, which is a blending of charcoal and lime.

The National Board rules forbid the storage of liquid acetylene or the use of liquid acetylene gas. Liquid gas under pressure is explosive, at a certain increase of temperature. The gas itself is similarly explosive. Air impregnated with three per cent. of this gas is also explosive.

Acetylene gas is heavier than coal gas, and about three times as brilliant as the latter in a Welschbach burner. It is more expensive than coal gas, but for some purposes its superiority warrants the additional cost, though not the additional danger.

Underwriters require the generating apparatus to be located in a fire-proof, ventilated building, outside, where it will not be an exposure to adjacent property. The calcium carbide must be packed in water-tight metal cans. Its storage on

premises other than in generator building is absolutely prohibited. Generators must be filled with calcium carbide by daylight only.

Acetylene gas is very penetrating. While silk or rubber retains gas for days, it retains acetylene for only a few hours. The smell of the escaping acetylene is noticeable within a few minutes. This experiment, coupled with the peculiarly explosive nature of the gas, indicates the extremely dangerous character of the new illuminant.

Water caused a fire at Dayton, O., last month. High water flooded a building and reached a lot of calcium carbide. The contact of the two generated acetylene gas. Several explosions and a fierce blaze immediately followed. The plant, which manufactures the gas machines, had been flooded to a depth of eight or ten feet, and had not been in operation for two days before the fire. The insurance policies permitted the storage of only 150 pounds of the stuff, but it transpired that there were over eight tons of it. The warehouse containing the carbide was entirely destroyed.

Ex-Commissioner Merrill, now of the *News*, might write an editorial explaining what he meant when he said, "What is that life insurance surplus for? Nothing."

Col. Parrott, the Provident Savings Texas manager, has resigned, to accept the management of the company's middle department, with headquarters in the National capital.

T. B. Barnes, ex-Sunday-school superintendent and ex-industrial-agent, and lately secretary of the Order of Artisans (of Portland?), is trying to avoid his landlady and the American Surety Co. The swag hardly paid him for his trouble.

The Missouri law encouraging suicide has been upheld by the supreme court. Under its provisions all policies on suicides' lives are payable, whatever the contract may have been. The right of individual contract is curtailed by this law. The decision of the State court is contrary to the recent decision of the National court.

March Fires.**Washington.**

19. Blaine, saw-mill:	
Hamburg-Bremen . . .	\$1,000
Thuringia	1,000
22. Tacoma, fr saw and shingle mill and contents:	
Franklin	\$ 700
Scottish Union & Nat'l	1,000
Orient	1,500
Milwaukee Mechanics .	900
Phoenix, Hartford . . .	2,500
Home, N. Y.	2,500
Hanover	1,000
Aachen & Munich . . .	1,000
Springfield	500
Norwich Union	1,000
Ætna	3,000
National	2,000
Svea	1,500
American, Pa.	1,500
Magdeburg	1,000
Sun, London	3,000
Thuringia	750
Total	\$25,350

20. Colfax, fr bldg and contents:	
North British	\$2,500
17. Callam co., fr dwg and barn:	
London & Lancashire .	\$500
Lincoln co., barn & granary:	
Scottish Union	\$1,195
17. Issaquah, fr bldg:	
Ins. Co. North America	\$1,000
26. King co., dwg and contents:	
Ins. Co. North America	\$600
22. Spokane co., fr dwg & contents:	
Orient	\$500
1. Auburn, boarding-house and drug store:	
National	\$888
Home, N. Y.	747
Losses under \$500 . . .	\$8,801
Total Washington . .	\$44,084

Oregon.

9. Marion co., fr dwg and contents:	
Sun	\$696
6. Oregon City, dwg and contents:	
London & Lancashire .	\$755
24. Philomath, gen'l mdse:	
German-American . . .	\$4,000
United States	1,000
Losses under \$500 . . .	\$7,284
Total Oregon	\$13,735

Montana.

15. Flathead co., fr granary:	
American, Pa.	\$900
27. Centerville, fr bldg:	
Alliance	\$ 650
Commercial Union . . .	1,000

23. Helena, fr dwg:	
Commercial Union . . .	\$500
21. Butte, br hotel and contents:	
American-Central . . .	\$2,500
St. Paul	2,500
Pennsylvania	3,000
Union, Pa.	2,000
Royal	6,000
Fireman's Fund	1,500
Manchester	1,000
Caledonian	1,000
Queen	3,000
Hanover	3,500
Aachen & Munich . . .	1,500
American, Pa.	2,000
Svea	1,000
Total	\$30,500
19. Clancy, bldg:	
Philadelphia Underw. .	\$500
27. Butte, fr bldg:	
Union, London	\$500
15. Miles city, dwg and furni:	
Springfield	\$700
Losses under \$500 . . .	\$5,459
Total Montana	\$40,709

Colorado.

31. Telluride, fr hotel:	
Svea	\$1,000
Western	1,000
27. (Feb.) Cortez, hotel:	
National	\$1,125
Silverton, stock in br bldg:	
Fireman's Fund	\$861
North British	861
Scottish Union	861
23. Rio Grande co., fr barn, etc:	
Royal Exchange	\$900
21. Colorado Springs, fr dwg and boarding house:	
Royal Exchange	\$1,500
Imperial	1,537
6. Montrose, dwg:	
Palatine	\$500
Losses under \$500 . . .	\$4,500
Total Colorado	\$14,705

Utah.

2. Salt Lake City, fr salt mill machinery:	
Pennsylvania	\$1,000
Thuringia	5,000
4. Ogden, hhd furni, etc:	
London & Lancashire .	\$628
Losses under \$500 . . .	\$7,765
Total Utah	\$14,393

Arizona.

25. Flagstaff, fr dwg and contents:	
Sun	\$750
12. Yuma, dwg:	
Ætna	\$550

Losses under \$500	\$220
Total Arizona	\$1,520

Idaho.

Losses under \$500	\$203
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Nevada.

Losses under \$500	\$190
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New Mexico.

Losses under \$500	\$48
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Wyoming.

Losses under \$500	\$255
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British Columbia.

Losses under \$500	\$73
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Texas.

Losses under \$500	\$200
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Total Outside Territory \$130,115

California.

6. Butte co., farm dwg & contents:	
Home Mutual	\$679
1. Butte co., fr dwg:	
Connecticut	\$500
31. Berkeley, fr dwg:	
Hartford	\$1,500
8. Byron, store bldg and gen'l mdse:	
Home Mutual	\$2,620
Norwich Union	572
Scottish Union	1,500
Western	1,000
Fireman's Fund	1,500
24. East Berkeley, fr dwg:	
Thuringia	\$ 650
Queen	1,000
1. Colma, fr dwg and contents:	
Magdeburg	\$880
5. Amador co., fr dwg & barn:	
Fireman's Fund	\$500
4. Dunnigan, gen'l mdse in fr bldg:	
German-American . . .	\$1,649
Fireman's Fund	2,061
Springfield	824
National	1,237
London & Lancashire .	825
Home Mutual	800
14. Bitter Water, public hall:	
National	\$500
Kings co., barn, etc.:	
Pennsylvania	\$595
24. Hanford, gen'l fire:	
Liv. & Lon. & Globe .	\$9,320
8. Hanford, stlk confectionery:	
Phoenix, Hartford . . .	\$570
12. Los Angeles, fr dwg:	
Home	\$951
5. Los Angeles, contents brick Chinese bldg:	
British American	\$500

22	Los Angeles, dwg and stable: Williamsburg City . . . \$2,900 Franklin 2,000
	Los Angeles, fr dwgs and contents: New Zealand \$4,800
	Los Angeles, stk in fr bldg: Fireman's Fund \$700
19	Near Montague, frame water power flour mill: Phoenix, Hartford . . . \$1,293 Palatine 6,033
31	(Jan.) Mendocino co., fr hotel bldg: Liv. & Lon. & Globe . . \$1,000
24	Merced, gen'l fire: Norwich Union \$1,116 Providence-Washing'tn 1,500 Pennsylvania 2,500 Union, Pa. 500 London & Lancashire . 1,000 London Assurance . . . 3,000
29	Modesto, dwg & tank house: London Assurance . . . \$700
14	Napa co., fr dwg and barns: American, N. J. \$600
28	Norwalk, fr dwg and furni: Lancashire \$988
	Oakland, dwg and barn: New Zealand \$1,500
	Oakland, fr dwg and conts: Hartford \$600
3	Orange co., fr dwg: Home, N. Y. \$1,000
1	Oakland, hhd furni: Alliance \$650
1	Oroville, hhd effects: Imperial \$800
20	Puente, fr store and conts: Fireman's Fund . . . \$1,111 Home Mutual 1,239
3	Placerville, planing mill: National \$1,070 Greenwich 1,070
1	Palermo, fr dwg and conts: North British \$1,500 Norwich Union 1,500
13	Pleasanton, fr hotel & conts: Manchester \$1,308 Caledonian 975
26	Sacramento co., fr dwg and contents: Caledonian \$3,050
15	Stanislaus, dwg & tank house: Home Mutual \$1,500
16	Sausalito, dwg and contents: London & Lancashire . . \$600
1	San Luis Obispo, fr dwg: Royal \$2,300

18	San Joaquin co., barn: Hanover \$600
	South Pasadena, hhd furni: Aachen & Munich . . . \$500
19	Siskiyou co., fr flour mill: Svea \$1,000
	Sonoma co., dwg and barn: Scottish Union \$900
27	Stockton, dwg: Scottish Union \$1,666
28	Santa Rosa, dairy: Aetna \$600
4	Santa Cruz, dry goods in br bldg: Aachen & Munich . . . \$ 916 Royal 1,146 Williamsburg City . . . 379 Liv. & Lon. & Globe . . . 505 Imperial 1,546 Hartford 1,145
4	Santa Cruz, contents lodge rooms: Lion \$1,600 Northern Assurance . . . 525
	Santa Cruz co., nets, ropes, etc., in fr dwg: Hartford \$500
27	Santa Cruz co., fr dwg: Liv. & Lon. & Globe . . \$700
20	Yreka, wheat in fr warehouse: Fireman's Fund \$2,500
1	Tehachapi, lodging house & contents: Home Mutual \$1,000
25	Trinity co., ranch dwg and contents: N. Y. Underwriters . . \$2,300
	Losses under \$500 \$36,590
	Total Calif., S. F. ex. \$141,744

San Francisco.

31	Cracker factory, brick: Connecticut \$3,500 Teutonia 2,500 Northern Assurance . . . 3,750 Lion 2,350 Imperial 2,800 Royal 5,000 Aetna 5,000 London & Lancashire . . 4,348 American, N. J. 1,000 Caledonian 2,000 Manchester 2,000 Lancashire 2,500 Western 3,500 Hamburg-Bremen 4,000 Phoenix, London 1,875 Providence-Washington 1,875 Union, London 5,000 Palatine 2,000 Royal Exchange 5,000
	Magdeburg 9,500 Thuringia 2,500 Helvetia 5,000 Transatlantic 2,400 Atlas 5,000
	Total \$84,338
30	Frame building: London & Lancashire . . \$600
11	(Feb.) Photo gallery: Prussian National . . . \$1,497
2	Stock dry goods: Aachen & Munich . . . \$1,000
	Losses under \$500 . . . \$12,197
	Total San Francisco \$102,479
	Total California . . . \$244,223
	Total Pacific Coast . \$374,338

Losses by Companies.

Aachen & Munich \$ 6,228
Aetna 11,524
Agricultural 406
Alliance 3,057
American, Boston
American, N. J. 1,933
American, Pa. 4,538
American Central 2,638
Atlas 6,004
Baloise 372
British America 1,369
Caledonian 7,875
Commercial Union 2,084
Connecticut 4,815
Fire Association 1,007
Fireman's Fund 14,195
Franklin 3,600
German Alliance 205
German-American 7,076
Greenwich 1,351
Hamburg-Bremen 5,667
Hanover 5,690
Hartford 5,697
Helvetia 5,474
Home, N. Y. 6,755
Home Mutual 11,205
Imperial 7,937
Ins. Co. North America . . 2,197
Lancashire 4,702
Law Union & Crown 310
Lion 5,941
Liverpool & Lon. & Globe 12,726
London & Lancashire . . . 10,160
London 4,392
Magdeburg 11,883
Manchester 5,295
Merchants 164
Milwaukee Mechanics 988
National, Hartford 8,006
New Zealand 6,725
New York Underwriters . . 2,750
Niagara 24
Northern 5,048
North German 896

North British & Mercant.	5,534	Queen	4,475	Union, London	6,343
Norwich Union	5,278	Royal Exchange	8,335	Union, Pa.	2,622
Northwestern National	5,000	Royal	17,344	United States	1,076
Orient	2,420	Scottish Union & Nation'l	8,556	Williamsburg City	2,379
Palatine	11,405	Springfield	3,379	Westchester	5
Pennsylvania	8,144	St. Paul	2,588	Western	5,978
Philadelphia Underw.	500	Sun, London	6,860		
Phoenix, Hartford	5,527	Svea	5,640	Total	\$374,338
Phoenix, London	2,797	Tentonia	3,085	LOSSES TO APRIL 1, 1898	\$1,083,831
Providence-Washington	3,480	Transatlantic	3,280	LOSSES TO APRIL 1, 1897	1,006,891
Prussian National	1,639	Thuringia	11,101		

Utah Notes.

R. W. Osborn, superintendent of agents for the Pennsylvania Fire, has spent several days in Salt Lake, and is making a tour of the agencies in Utah.

R. C. Buckman presents his card as special agent of the Merchants of N. J. Mr. Buckman was lately connected with one of the Eastern insurance journals, and should be well posted insurancewise.

Special Agent Hiram H. Lee of Denver visited the agents of the National and Springfield the last of March, and also made a flying visit to San Francisco. Mr. Lee was at one time in the local business in the city of Salt Lake, hence makes himself at home here.

W. C. Cree, well and favorably known among the fraternity in Denver, is visiting Utah agencies of the Thuringia, as special agent. Mr. Cree was acting special in this field for the Manhattan, better known as the Mutual Fire of New York, when it reinsured in the Union of London.

The firm of Heber J. Grant & Co. lose another company, the Sun of London having been transferred to Messrs. Rogers, Little & Co., by Special Agent A. R. D. Paterson, who has been in Salt Lake some time considering the proposition. The agreement between the Home of Utah and the Hartford is said to be driving other companies out of the Grant agency.

Ass't Gen'l Manager Geo. E. Cline of the Continental Ins. Co. has been visiting in Salt Lake for several days. It was hoped that the gentleman would arrange for his agents in this State to report through the Compact Office, and stop the wholesale cutting of rates that has so demoralized the local business for several months past, but nothing was accomplished, so far as Salt Lake is concerned, and no promises made for the future.

E. J. Jolly, of the Commercial Union and Alliance, is again at his post, after a three weeks' visit to the San Francisco office. He reports the new building lately erected by the Alliance to be up to date in every particular, and for furnishings and convenience second to none west of Chicago. Special Agent Jolly's field comprises Montana and Utah for the Commercial Union, and Utah, Montana, Wyoming and Colorado for the Alliance.

Board of Fire Underwriters of the Pacific Departments.

District A. Headquarters San Francisco.

Manager, H. N. Lloyd.

Territory, city and county of S. F.

District B. Headquarters San Francisco.

Manager, W. S. DuVal.

Territory, California except Districts C and A, also Nevada and Alaska.

District D. Headquarters Portland.

Manager, P. DeS. Olney.

Territory, Oregon and Idaho.

District C. Headquarters Los Angeles.

Manager, J. S. Richards.

Territory, southern California, comprising the counties of Santa Barbara, Ventura, Los Angeles, San Bernardino, Orange, Riverside and San Diego, and Arizona.

District E. Headquarters, Butte City, Mont.

Manager, C. A. Gilbert.

Territory, Montana.

District F. Headquarters, Salt Lake City.

Manager, S. C. Donnell.

Territory, Utah.

General Management. A. Stillman, Sec'y; E. F. Morhardt, Ass't Sec'y.

A burglary insurance office in Manchester, Eng., was "burgled" last month by some fellow who never had heard anything about the deterring effects of a burglary insurance sign.

Acknowledgements.

Oregon Report, advance sheets.

Michigan Report, advance sheets.

Canada Report, advance sheets.

Washington Report, advance sheets.

North Dakota Report, advance sheets.

Proceedings Before Clunie, with compliments of Life Underwriters.

Preliminary Colo. Report., giving risks, premiums, losses paid and incurred, and expenses. Taxes and expenses within the State were 30 per cent. of premiums. The loss ratio of 24 per cent. was phenomenal.

The Conn. Report, first part, is out. It is a book of over 1,100 pages. Sixteen companies were admitted last year. The number doing business in the Nutmeg State advancing from 126 to 142. A comparative underwriting and investment exhibit accompanies each company's statement.

The A. O. U. W. in California.

For a number of years the California lodge of the Ancient Order of United Workmen has been in a state of decay. The utmost efforts of the salaried men have been unable to stay the decline, until last year. The membership fell to less than 16,000. On January 1, 1897, it was 16,242. During the past year the membership rose to 20,141. This gain was the result of the adoption of the graded system, so long scouted as needless and an invention of the enemy. The effect of the new system, if applied to the old members, would freeze out the gray-beards. We are sure that the order can never meet all death claims unless it does deal cruelly and unjustly with the old members.

The advent of "new blood"—younger men with an average age of 31—helps the California jurisdiction out of a hole, and it is possible that it need not much longer depend on the bounty of the grand lodge. The adoption of the graded system has postponed failure by bringing in new members and reducing the mortality rate. But when this source of revenue and health is exhausted, what then? Failure! though, like the Chosen Friends, repudiation and reorganization will be pleasantly referred to as the "new plan."

The affairs of the order were really in a very desperate state in the State of California. The amount of relief received from the grand lodge in 1896 was \$153,459; in 1897, thanks to the contributions of the flies who

walked into the California parlor, only \$36,623 was required of the parent organization. All over the country the affairs of the order were in a similar bad way, and one by one the State lodges have reluctantly adopted a more scientific system which the old *Watchman* used to denounce so vehemently. By the way, what has become of Barnes and his declaration that the death rate would never, never exceed ten per thousand?

Last year, with over 20,000 members in California, nearly 4,000 of whom are young and have just passed a medical examination, there were 299 deaths, or about fifteen per thousand! This jurisdiction must increase its membership still more, and still more, forever, or experience a most embarrassing death ratio. And the same is true of all the other jurisdictions. Last year the California branch was obliged to borrow \$60,000 to pay deficiencies. The dangerous state of affairs, existing despite the seeming revival of good fortune, is appreciated by the managers. To gain new members the \$3 lodge premium will be abolished, and about \$240,000 will be voted as an "extension fund." In other words, this sum will be for solicitors' commissions.

We predicted that the order would have to adopt graded rates. Now we predict that the old members must be frozen out, or claims must be compromised by some deceptive plan of reorganization.

WESTERN ASSURANCE COMPANY.—The 67th annual statement of the Western Assurance Company for last year is one which must be highly gratifying to the shareholders. The total cash revenue for last year was \$2,283,632, and the total expenditure, including appropriation for losses under adjustment, \$2,133,787, leaving a balance of \$149,845. An appreciation in the value of securities, amounting to \$18,381, swelled this balance to \$168,226 profits for the year. Two half-yearly dividends at the rate of ten per cent. per annum were paid out of the year's earnings, and \$68,226.21 was added to the reserve fund. This is indeed a handsome showing, and furnishes further proof of the capable, conservative management of Mr. J. J. Kenny, the vice-president of the company.—*Economist*.

SCHEDULE OF ITALIAN CLAIMANT.—Salt Pork of Chicago. Baking powder. 5 Sach bran. Soap for washing the face. Papper bags. Pitures. Mush Roem in oil. Exatra of Lemon. Rasians. Sringes. Corn meel flower.—*Knapsack*.

New England Mutual Life Insurance Company.

LARGE GAINS IN ASSETS AND SURPLUS.
AND EXTRAORDINARY GAINS IN NEW
BUSINESS.

Let a man who thinks of insuring his life look over the field most carefully, and examine policies and search out the reputation of companies, and his conclusion will be that no company excels the old, solid New England Mutual Life Insurance Company. Everybody speaks well of it and its clear, unequivocal contracts. His good opinion can hardly fail to be strengthened when he learns that this company was a pioneer in those liberal practices which have since been required by legislation. The same liberal and just spirit which inaugurated reforms and supported every fair measure designed to conserve policyholders' interests, governs the affairs of the company to-day, and may be relied upon to maintain perfect equity and obtain the best results on the line of perfect security.

The New England Mutual Life presents a very satisfactory statement for January 1. The position of the company is everything that could be asked. While growth is not essential to the permanent welfare of any sound company, it is always ground for congratulations if secured without a reduction of dividends in consequence. The New England Mutual increased its new business over 50 per cent. last year. The insurance in force increased five millions, which is a proportion equaled by only a minority of companies.

The New England Mutual now has \$105,000,000 insurance in force. It wrote \$16,000,000 new business last year, which is a gain of over five and a half millions. It has \$27,000,000 assets, having added over a million in the past year. The surplus is \$2,127,428, likewise a gain during the year. The careful investment of these large funds is scheduled elsewhere in this issue.

The reader can obtain a good idea of this great Boston company's dealings with its policyholders by noting the pro-

portion of premiums returned to policyholders. Since the company began business it has received \$83,387,082 from policyholders, and has paid them, in losses, dividends and surrender values, \$70,094,901. This is about seven-eighths returned, which is a proportion rarely equaled in life insurance. In addition, the assets held in trust for policyholders make a total which is nearly \$14,000,000 more than the policyholders have paid the company. That sum is the balance to the good over losses and expenses, placed to the credit of the policyholders.

As everybody knows, H. K. Field represents the New England on the Coast, and has done so very successfully for many years past. Last year he increased the new business of the company, and increased the renewals and the amount in force as well.

Old Wayne Mutual Life.

Of this humbugging graveyard scheme, which makes a specialty of old people's lives, Superintendent Payn of New York's insurance department writes:

"I would state, from such information as we have in our possession, that, in my judgment, it is an irresponsible concern."

The advertisement of this "irresponsible" speculation in old folks' lives appears regularly in the *Spectator* of New York.

Accidents, Causes and Employment.

An American accident office compiles the following from its experience in one year:

	No. Paid.	Am't Paid.
Manual labor and trades	6,672	\$243,801
Steam rail'd and steamship	180	65,108
Steam railroad and elevator	364	45,508
Bites of animals	113	8,468
Drowning	16	49,500
Burns and scalds	590	37,482
Pedestrians	2,931	213,585
Firearms, knives, etc.	413	119,233
Horses and carriage	923	69,836
Sports and recreations	387	14,511
Bicycle	884	156,700
At home and in office	1,023	188,352
Unclassified	259	7,677

Commissioner Fricke on Anti-Compact and Valued-Policy Legislation.

There is at least one sensible, thoughtful State insurance commissioner, and convincing proof thereof is found in the following quotation from the annual report of Commissioner Fricke of Wisconsin. The commissioner's broad views are refreshing:

There is a widespread conviction that there is a strong combination on the part of fire insurance companies, through unions, boards and underwriters' associations, to fix and maintain rates, and that the panacea for this evil is the anti-compact law. In no State, however, in which such a law has been adopted, has it promoted competition or reduced rates.

Associations, boards and unions, under the present method of conducting the business of fire insurance, are really a necessity; without them and the interchange of experience and the adoption of correct methods and uniform practices, the whole business of fire underwriting would become demoralized and the policy of fire insurance become a mere gambling contract. It is true that the "rate" is largely an arbitrary amount or hap-hazard guess, based perhaps upon the experience of a single company, or agreed upon as a compromise amount by a number of companies, and calculated upon the experience of a large number of similar hazards by a large number of companies.

Had the business of fire insurance a table of experience made up of the experience of all companies, under which the different hazards were classified, it would be comparatively easy, exclusive of moral hazard, to approximately determine the rate necessary on any given risk. Legislation has done nothing to gather such an experience table, and it is to these unions and associations so generally condemned that we must look for its creation. Until recently, the jealous guarding of its experience by each company has made this work almost an impossibility, but by reason of these associations the work of gathering this experience has been inaugurated, and when completed will do more to establish justice and equity in rates than all the anti-compact laws ever enacted or thought of.

Life insurance has its mortality tables, yet it required years to gather the experience to formulate a table upon which it was possible to base a life rate, and to-day there is not a

city of any size in any civilized country that is not year by year adding to this experience table, and increasing the longevity of man by improved methods of sanitation. We no longer wait for epidemics, as we do for conflagrations, to adopt improvements.

Mortality tables have done for life insurance almost what experience classification tables can do for fire insurance, and if the legislators, instead of enacting anti-compact laws, would aid in building up such an experience table by requiring a classification of fire hazards—premium receipts and losses according to each class—and instead of valued-policy laws a fire-marshal law, as proposed at the last session, the question of fire rates could soon be approximately determined.

The experience with the Wisconsin anti-compact law has proven it to be of no value, and has failed of interpretation even by those who drafted it.

Co-operative Life Associations.

The Michigan department presents figures from which we compile the following:

<i>Associations.</i>	<i>In force, Jan. 1, '97.</i>	<i>In force, Jan. 1, '98.</i>
Bankers Life, Des Moines . . .	\$86,754,000	\$100,838,000
Bankers Life, St. Paul . . .	24,040,000	24,542,000
Chicago Guaranty Fund . . .	7,581,000	8,827,100
Conn. Indemnity	12,013,280	12,632,978
Covenant Mutual, Ill.	87,420,375	86,562,025
Fidelity Mutual	67,412,956	72,873,727
Fidelity Mutual Aid, S. F. . . .	545,700	900,500
Jewelers & Tradesmens	4,024,100	3,710,300
Mutual Reserve Fund	325,026,061	301,567,101
National Life, Hartford	32,305,590	25,028,221
Northwestern, Chicago	115,272,000	98,475,400

We commend to the consideration of our Louisville contemporary Commissioner Fricke's remarks on insurance compacts. They contain some elementary knowledge of insurance methods and needs of which our amiable contemporary seems sadly ignorant. Examples: "Boards are really a necessity." "Without them, the policy would become a mere gambling contract." "Rates are calculated upon the experience of a large number of similar hazards by a large number of companies." Our contemporary, on the contrary, has proclaimed, with presumption, that "the fire insurance average is obtained from human imagination." Mr. Fricke, the commissioner, it is evident, knows somewhat

more of fire insurance than Mr. Allison, the insurance journalist.

Order of Chosen Friends.

Recent figures showing the condition of this Indiana speculation are not at hand, but the unfavorable exhibit of a year ago gave little ground for hope. All the signs pointed toward early dissolution.

Certificates in force had fallen in number and amount, and only about a third of the average amount of new business was written. In five years the amount in force declined one-third, dropping from sixty to forty millions. Meantime the death rate has been steadily climbing, and at last accounts it was nearly 18 per thousand. This was the rate that carried off the late Equitable Aid Union.

Whoever has had any intimate dealings with the management knows that the order has no more real fraternity than Spain in dealing with the reconcentrados. In proof of this statement we cite the case of Mrs. Zander of San Francisco, an old lady who was a member of the Chosen Friends and was clearly entitled to old age benefits. There was some clerical error or other in regard to the payment of dues some time before, but the local branch corrected this, and an officer at headquarters acknowledged the amendment. Subsequent dues were paid and accepted. But when the old lady was unable to pay any more dues, and became entitled to relief, the rascally managers back in Indianapolis declined to pay. The local branch expostulated, and cited the facts, including the officer's own letter of acknowledgement. But in vain. The order refused to meet its obligations, and old Mrs. Zander has since been obliged to depend on charity.

Law? Why sue a bankrupt repudiator? The Chosen Friends was on the brink of failure several years ago, and only escaped, to fail another day, by a "reorganization plan" which was partial repudiation in thin disguise. No justice can be expected from such a humbugging outfit.

Ten cents for five years on fire-proof

office-buildings in New York is too high, indeed—if they are really fire-proof. But we recall the fact that the only salvage of a New York fire-proof building some years ago, was a brass plate upon which was inscribed, "This Building is Fire Proof."

The Fire Association of Philadelphia.

Gains all along the line! Such is the '97 record of the prosperous Fire Association. Premiums increased and losses decreased, which is a good combination. Losses and expenses left a balance of nearly \$600,000 out of the year's income.

Over \$306,000 was added to the assets, and the net surplus was increased over \$305,000. Gains were also made in reinsurance reserves and premiums.

The Fire Association is now in the six-million class, its assets being \$6,239,335. It ranks seventh among American fire offices in amount of assets. It takes a high rank, also, in net surplus, having \$1,311,947 over capital and all liabilities, bringing its surplus to policyholders well up toward two millions. This octogenarian company furnishes first-class indemnity. The California business of the Fire Association is under supervision of T. C. Shankland, State agent, the locals reporting to Manager Cunningham of Chicago.

Phoenix Mutual Life Insurance Company.

The forty-seventh annual statement of the Phoenix Mutual Life Insurance Company bears out all the good things we have said for the company and its management. An excellent showing was made, and all the signs point to prosperity and increased growth.

After valuing all securities on a conservative basis, the assets show a gain of four hundred thousand, and the surplus has increased about fifty-two thousand. Gains were also made in income, new policies, new business, and insurance in force.

The advance of insurance in force from \$42,216,841 to \$46,021,069 is something for the management to be justly proud of. The amount of new business—nearly twelve millions—is very creditable. The

gain of two and a half millions indicates hard, faithful work on the part of the agency staff, as well as liberal policy contracts.

These figures prove that the policyholders are satisfied; and the company's record, as well as its policy forms, furnishes good ground for such satisfaction. The Phoenix Mutual has paid policyholders thirty-eight million dollars since organized, and has paid to and holds in trust for policyholders over three and a third millions more than it has received in premiums.

Here are two columns worth comparing:

PAST TWO YEARS' BUSINESS.

	1896.	1897.
Policies issued	\$ 5,193	\$ 6,110
Insurance written	9,186,356	11,007,200
New premiums	268,651	315,307
Total premiums	1,430,228	1,589,531
Policies in force	25,981	28,269
Insurance in force	42,216,841	46,021,069

All Phoenix Mutual policies are incontestable after two years, and have extended insurance, loan, cash and paid-up values endorsed on them. Special attention is called to the new 5 per cent. 20-year income bond, which guarantees a stated income for twenty years, and then pays the face value of the policy.

The Pacific Coast department, under the management of James F. Osborne, was recently established, and is already making a very respectable showing, in new business and insurance in force.

Colorado Business Reported to Pacific Coast Managements.

Companies.	Prem's.	Companies.	Prem's.
Alliance	\$ 10,205	North British	\$ 25,733
Atlas	24,600	North German	16,223
Baloise	58	Palatine	28,161
Fireman's Fund	51,274	Royal Exch'ge	17,407
Greenwich	6,087	Scottish Union	25,359
Helvetia-Swiss	5,863	Sun	26,512
Home Mutual	13,517	Svea	12,799
Imperial	21,878	Teutonia	5,289
Lion	16,461	Thuringia	10,401
Manchester	27,157	Transatlantic	14,807
National	44,858		
21 Companies, San Francisco	\$ 404,653		
81 Companies, Chicago, etc.	1,075,711		
102 Companies, Total	\$1,480,363		

Failure of the Guarantors Finance Company.

Another "Napoleon of insurance" has met his Waterloo. Richard F. Loper, of the Guarantors (Lloyds). Guarantors Liability, and Guarantors Finance, all of Philadelphia, has been unmasked at last, by the complete failure of the last evolution of his casualty and liability scheme.

The insurance department of Pennsylvania, finally compelled to take action by the reports of insolvency, made an examination of the affairs of the Guarantors Finance, and found them hopelessly involved. Ledger assets of \$1,841,570 were shown, but only \$582,967 of this sum was admitted. The liabilities, including the \$750,000 capital stock, are \$1,047,599. The assets should therefore pay all liabilities, except the capital stock.

Application was made for the appointment of a receiver, but meantime the company made an assignment. Following this, came the suicide of the cashier of the People's Bank of Philadelphia, the closing of the bank, and the arrest of Manager Loper. The manager is now at large on \$25,000 bail. The bank cashier, who cowardly deserted his family, does not deserve any sympathy. He let the Guarantors have some securities (never returned) of the bank, to exhibit to the examiners as the company's property. He was a party to a wicked deception, which hoodwinked several insurance departments.

The wreck is complete, though it is barely possible that outstanding liabilities, stock excepted, may be met by the assignees—if they are not professional politicians. The circumstances of the company were well calculated to deceive the most prudent. The stockholders generally were good men financially; the directors included a number of the most wealthy and prominent manufacturers and business men in Philadelphia. Several insurance departments found the securities as reported. But the concern, though new, was rotten. It was the Guarantors Liability, which it reinsured, in a more attractive dress—but corrupt at heart and unsound in every member.

On the first intimation of trouble, the Western representatives, including Manager Donnell of San Francisco, promptly discontinued writing; but unfortunately, the suggestively strict rules of the company requiring remittances left no money in their hands for the payment of current claims. Duly warned, however, the policyholders were able to cover their risks in solvent companies.

From top to bottom the Guarantors appears to have been a political enterprise. Loper, the manager, is a politician. Cooper, the president, is a candidate for governor. The People's Bank, known as the Quay bank, was a nest of politicians. The Guarantors Finance had so strong a "pull" with the People's Bank that it was able to borrow a lot of money on worthless securities, and found a willing tool in the cashier. Loper was even able to mortgage his \$130,000 house for \$300,000. The Guarantors also had "easy" relations with three other politicians' banks, with State funds, which also failed.

Fidelity & Casualty Company.

This leading casualty company reports totals in its annual statement which show remarkable growth and prosperity. The Fidelity & Casualty, like a victorious army, is always advancing, but last year it excelled itself. It added over \$350,000 to its assets and nearly \$300,000 to its net premiums. The gain in surplus was in round number \$150,000.

The assets on January 1st were \$2,967,010, of which sum \$739,726 was surplus. Last year's premium receipts footed \$2,944,245. So, speaking in round numbers, we may refer to this very successful enterprise as a \$3,000,000 company—in both assets and income.

No other casualty company equals the Fidelity & Casualty Company in progress made last year and in recent years. Note these comparative figures:

	Assets.	Surplus.	Prem's.
Jan. 1, 1894	\$1,214,662	\$419,517	\$2,242,916
1895	1,257,247	462,120	2,383,951
1896	1,342,629	568,995	2,500,958
1897	1,414,323	590,180	2,652,053
1898	1,592,898	739,126	2,944,245

The Fidelity & Casualty writes accident, burglary, employers' liability, fidelity, plate-glass and steam-boiler business. It is a good company for an agent to represent.

The Fidelity & Casualty has been represented in this field for many years, and has always given general satisfaction in the settlement of claims. It does a large business under the management of S. C. Pardee, and fair rates and a fine class of business yield handsome profits.

Ho! For the War!

The following telegram was received from the New York branch of the Liverpool & London & Globe Ins. Co., on April 7:

"Our directors have voted to keep our employes now members of National Guard at full salary if called to bear arms during hostilities."

This is about as truly an American measure as we have yet heard of. It sounds the key-note of genuine patriotism—the kind that is willing to bear more than its share of the cost of war. There is no buncombe in it.

Misleading Washington Figures.

Elsewhere we reprint gross figures of the Washington fire business for last year. They are misleading, since they are not net. Deduct 20 per cent. and you have left about the net premiums. Premiums in the previous year were a round million. Last year, according to the Washington insurance department, they were \$1,204,035. The difference of \$200,000 is due to the fact that the smaller total is net and the larger is gross. Last year's premium figures were about the same, and losses paid were about \$70,000 less. The loss ratio was some 42 per cent., leaving a seeming profit of about 20 per cent. The Washington loss ratio was more than in the rest of the Coast outside of California, where the effects of the rate-war are still experienced.

We note with surprise that Deputy Heifner of Olympia treats these gross premiums as net, and draws the conclu-

sion that the average loss ratio is much less than it really is. This assumed low loss ratio, deduced from an error, affords him welcome opportunity to say:

"When the legislature one year ago was considering the bill for the enactment of a valued policy law the representatives of certain insurance interests and certain insurance journals filled the air with predictions of impending conflagrations and calamitous disasters. The facts are, . . . rates have been on the whole lowered, and less property has been destroyed. The wisdom of the last legislature in this regard is therefore demonstrated and its course justified."

These are not the facts. Deputy Heifner is a specious reasoner, starting with false premises.

The premiums are not as he gives them; neither is the loss ratio. There was no increase of premiums; if there was, as alleged (20 per cent.), there would have been an increase of rates instead of a decrease. There has been no decrease in losses, either, in Washington; though in other Coast States generally there was such decrease. There was throughout the United States generally last year a falling-off in fire losses—except in Washington. Some say this decline was due to improved times. If this theory be true, times have not improved in Washington.

It is too soon for substantial and undoubted evidence of the incendiary effects of the peculiar valued policy law of Washington. As it does not allow replacement, underwriters have been unusually careful in the investigation of the moral hazard of Washington risks. It is not improbable, however, that the larger loss ratio in Washington—according to amount in force—than elsewhere in the Pacific West, last year, was caused by the new incendiary valued policy law, which suggests and makes profitable the crime of arson, and can not fail to persuade a number of wicked men to sell out to the insurance companies. This is the natural and inevitable effect of the valued policy law, which compels the insurer to pay more than the loss. Statistics prove it.

A Politician with a Pull.

A DANGEROUS WOODEN MANSARD-STORY
BEING BUILT IN THE BUSINESS CENTER.

A fire-trap wooden mansard-story is being added to the old building on the southwest corner of Montgomery and California streets in San Francisco. This addition is being erected in violation of a city ordinance.

The locality is the banking and insurance center, and the increased fire hazard of this big wooden-box, veneered with a very thin coat of tin, is a menace to all the adjacent property. It specially increases the hazard of the old building itself and all its contents.

Looking at this inflammable structure from an equal elevation it looks like a chicken-coop with numerous compartments. The thin studding resembles the pickets of a wooden maze. A blaze well started in this miniature pine forest would endanger valuable buildings constructed in accordance with the law. A fierce norther or a western gale would carry burning brands in every direction and would probably keep the fire department very busy for an hour or two. The flames from the blazing rookery would cross the street and easily penetrate the windows of adjacent buildings.

A city ordinance requires that all mansard roofs or mansard stories within the fire limits shall be constructed of fire-proof materials.

The explanation of the violation of the building ordinance in the Stevenson block mansard addition will occur to the reader. The owner of the building, acquired by recent purchase, is Tom Clunie, brother of our insurance commissioner. Tom Clunie is a crafty politician, and evidently has a "pull." He is able to break the law without being molested. Tom and Andy make a good team—of the kind. We do not believe that either has any respect for a law that can be broken without penalty.

The prisoners in the Kansas penitentiary are punished too severely. They

are compelled to fold and envelope one of McNall's hot free silver speeches.

Northwestern Mutual Life Insurance Company.

The advertisement of this great life insurance company briefly names its specially good points, to-wit: low mortality, economical management, purely mutual, does business only in the United States, and accepts business from only the regular agents of the company. The accompanying statement, though short, covers the entire ground, and leaves nothing lacking that is essential to a knowledge of the company's condition. Here it is:

STATEMENT JANUARY 1ST, 1898.

Assets	\$103,375,536
Liabilities	80,885,093
Accumulations held to meet ton- time policy contracts	\$ 16,310,434
General surplus	6,180,009
Income during 1897	\$ 20,020,162
Insurance written during 1897 . . .	\$ 61,187,593
Insurance gained during 1897 . . .	28,913,541
Insurance in force	413,081,370

Nearly eleven million was added to the assets last year, and nearly three million to the surplus. The gain in new business was over seven million, and the increase in income was a million and a half.

The progress of the company by ten year periods is shown in the following summary:

	<i>Insurance in force.</i>	<i>Assets.</i>	<i>Income.</i>
Jan. 1, 1868 . . .	\$ 36,539,333	\$ 3,126,197	\$ 1,693,785
Jan. 1, 1878 . . .	64,416,847	18,173,257	3,711,087
Jan. 1, 1888 . . .	147,615,323	28,858,019	6,860,119
Jan. 1, 1898 . . .	413,081,370	103,375,536	20,020,162

Since the Northwestern Mutual Life was organized, thirty-nine years ago, it has paid to the representatives of deceased policyholders, for death losses, \$42,040,425, and to its living policyholders, for dividends, matured endowments, annuities, surrendered and lapsed policies, \$48,949,599, making a total of \$90,990,024; add present assets, \$103,375,535. The amount paid to policyholders and held for them is \$194,365,560, and the total premiums received, \$174,123,958, leaving

an excess of assets and payments to policyholders over premium receipts of \$20,241,602.

In the Pacific West the Northwestern Mutual is represented by some very capable, active agents, who are producing a large amount of new business. In California, General Agent Clarence M. Smith increased the company's business last year, writing 603 policies for \$1,250,124. This, we believe, is the largest amount of new business ever written by the company in this State in one year.

Washington Co-operative Life Insurance Association.

PAYS ONLY A THIRD OF A DEATH CLAIM.

We have warned the public against this Portland assessment association. Now we are able to present strong confirmation of the statement that the little scheme is a big humbug.

A. P. Schull of Pendleton, Oregon, who was "insured" in the Washington Life Co-operative Insurance Association to the amount of \$3,000, died in May, 1897. A month later the widow was offered \$200, or less than 7 per cent., on account. For a long time afterward it looked as if the widow would not be able to collect anything more from the sham concern. She finally employed Carter & Raley of Pendleton, Oregon, to press her claim. After ten months of waiting and uncertainty, Mrs. Schull accepted \$898.60 in full settlement of her claim, rather than run the risk of losing everything by the failure of the association before the slow processes of the law could aid her.

Mr. Schull was deceived by the representations of the Washington Co-operative Life Insurance Ass'n, and during his lifetime considered himself insured for \$3,000 for the benefit of his family. But now his widow finds that his cheap insurance produced only \$1,098.60, under pressure of legal counsel, nearly a year after the death of the insured; and out of this sum she must pay counsel fees.

L. A. Ross made affidavit before Geo. F. Craw, notary public, that the statement of the association's agent, one H. Heckman,

that he had received \$2,000 from the Washington Co-operative Life in settlement of a death claim, was "misleading, false, and intended to deceive the public." Mr. Ross swore that \$2,000 was due from the association, on a policy on the life of Mrs. Ross. After waiting about a year, with a lawyer urging the payment of the claim, the association levied an assessment and settled with the beneficiary at the rate of about 25 cents on the dollar, paying \$505.75 in settlement of a \$2,000 death claim.

It is clear enough, from these illustrations, that the Washington Co-operative Life Insurance Association, of Portland, is a swindle. It does not deliver the goods it sells and is paid its price for. One's duty to protect dependents with life insurance is certainly not performed by taking out a certificate in this miserable little humbug; and we do not hesitate to say that any man who, after reading the foregoing, insures in the Washington Co-operative, is, himself, guilty of a swindle. He deliberately, with eyes open, undertakes to cheat his family by buying shoddy protection "at half-price."

The Preferred Accident in Montana.

Manager Godwin of the Preferred Accident's Pacific Coast department has been looking over Montana, and the result of his inspection of that field has been the organization of a general agency in the State. Geo. L. Ramsey has been appointed general agent. Mr. Ramsey is an experienced insurance man and will undoubtedly make a success of the agency.

National Life on War Permits.

Inquiries as to the war risk have become so numerous that Secretary DeBoer of the National Life of Vermont has issued a circular letter stating the company's position. Agents are instructed as follows:

Outstanding policies two years old or more are non-voidable for residence or occupation. Their holders will not require permits.

Policies less than two years old require consent before engaging in military opera-

tions. The National Life will give such permit.

Utah Fire Business for 1897.

	Written.	Prem's.	Losses Incurred.
Ætna	\$ 388,204	\$ 6,677	\$ 7,127
American, N. J.	96,485	1,521	1,040
American Central	142,482	2,671	1,169
American, Phila.	157,775	3,192	500
Aachen & Munich	84,200	816	589
Alliance	234,150	4,534	1,454
Atlas	273,912	4,534	2,221
British America	164,700	3,598	. . .
Commerce'l Union Fire	28,600	484	. . .
Connecticut	241,932	4,509	1,421
Continental	365,810	6,748	3,943
Caledonian	92,462	2,584	4,658
Commercial Union	892,950	10,376	11,515
Fire Association	320,650	6,144	788
Fireman's Fund	602,707	11,722	5,624
Franklin	91,425	1,405	1,439
German-American	387,104	6,797	771
Glens Falls	82,050	816	. . .
Greenwich	110,375	1,779	588
German Alliance	63,900	955	. . .
Hanover	183,310	3,501	1,556
Hartford	530,140	9,159	3,175
Home, N. Y.	979,181	17,996	7,798
Home of Utah	2,911,945	56,148	37,866
Home Mutual	153,285	2,562	3,220
Hamburg-Bremen	153,150	2,604	2,640
Ins. Co. North Amer.	170,400	3,357	3,796
Imperial	725,425	10,979	5,930
Lancashire	388,103	5,166	5,066
Lion	384,590	6,401	2,424
Liv. & Lon. & Globe	555,344	10,025	2,975
London	115,204	2,106	4,734
London & Lancashire	329,350	8,263	1,584
Milwaukee Mechanics	158,525	1,960	1,480
Magdeburg	100,603	1,688	858
Manchester	147,500	3,767	1,275
National	410,181	7,494	2,048
Northwestern Nat'l	204,500	2,810	1,047
North British & Merc.	347,330	5,656	1,665
North German	197,334	3,760	2,873
Northern	15,204	2,106	4,734
Niagara	59,827	1,127	432
Orient	129,700	2,344	819
Norwich Union	456,461	7,677	9,370
Phoenix of Brooklyn	256,540	5,097	2,294
Phoenix of Hartford	979,181	17,996	7,798
Phoenix of London	203,200	4,115	3,024
Providence-Wash.	163,525	2,423	2,481
Palatine	287,150	5,519	393
Pennsylvania . . . . .	. . . . .	. . . . .	. . . . .
Prussian National	90,138	1,216	519
Queen of America	335,792	4,748	1,459
Royal	409,555	5,894	3,075
Royal Exchange	288,400	5,388	2,284
Scottish Union	210,200	4,256	1,321
Springfield	274,610	5,265	3,578
St. Paul	204,800	2,613	1,461
Sun	309,245	6,138	2,517
Svea	267,905	6,027	818
Traders	52,300	878	1,834

Teutonia	34,050	661	15
Thuringia			
Transatlantic	156,225	2,511	3,444
United States	27,350	371	
Union of London	209,115	3,963	3,200
Williamsburg City	53,100	963	
Western Assurance	67,900	1,460	1,132

Idaho Fire Business Last Year.

	Premiums.	Losses.
Etna, Hartford	\$ 8,421	\$ 3,930
Agricultural	282	
Alliance	1,017	2,098
American, N. J.	975	184
American Fire, Phila.	4,022	1,240
Atlas	436	11
British America, Toronto	1,787	299
Caledonian	4,505	1,232
Connecticut Fire	2,186	1,146
Continental	2,209	669
Commercial Union	3,211	
Fire Association	4,441	2
Fireman's Fund	7,895	8,556
German Alliance	222	
German-American	3,372	4,380
Greenwich	167	1,377
Hamburg-Bremen	4,947	1,552
Hartford Fire	8,090	11,502
Home, N. Y.	8,581	4,073
Home Mutual	3,896	1,092
Imperial	1,662	580
Ins. Co. of North America	3,687	181
Liverpool & London & Globe	12,134	3,130
Lion Fire	865	580
London & Lancashire	3,305	23,848
London Assurance	1,493	1,220
Manchester Fire	5,414	1,401
National Fire	4,588	8
North British & Mercantile	3,811	3,159
Northern Assurance	1,489	1,220
North German	315	
Norwich Union	3,967	3,603
Orient	337	
Palatine	8,776	1,182
Pennsylvania Fire	2,398	368
Phoenix, Hartford	8,449	4,073
Phoenix, London	2,474	1,328
Providence-Washington	459	35
Queen, N. Y.	2,735	5,241
Royal	5,425	7,081
Royal Exchange	1,606	11
Scottish Union & National	626	
Springfield	2,900	
Sun, London	1,510	500
Svea	4,382	10
Transatlantic	324	4
Western	792	50
Totals, 1897	\$156,585	\$102,156

Alaska Fire Business in 1897.

	Premiums.	Losses.
Etna	\$2,329	\$. . .
Agricultural	85	

American, N. J.	599	
American Fire	1,491	277
Atlas	345	
Caledonian	10	
Connecticut Fire	613	2
Fireman's Fund	4,892	3,825
German American	2,018	
Greenwich	225	
Hamburg-Bremen	2,033	
Hartford Fire	1,471	
Home, N. Y.	653	
Home Mutual	1,319	
Imperial	1,933	
Ins. Co. North America	879	
Lion Fire, London	1,502	
Liverpool & London & Globe	723	
Manchester Fire	1,387	
Manhattan Fire	46	
Milwaukee Mechanics	451	
National Fire	324	
North British & Mercantile	946	
North German	352	
Norwich Union	1,168	
Orient	452	
Palatine	5,032	298
Phoenix, London	840	138
Phoenix, Hartford	612	
Providence-Washington	455	505
Queen, N. Y.	703	24
Royal	1,790	59
Royal Exchange	782	
Scottish Union & National	1,099	
Springfield	160	
Sun, London	1,247	
Svea	1,573	310
Transatlantic	335	

Totals, 1897 \$42,874 \$5,438

—Weekly Underwriter.

Washington Fire Business in 1897.

	Gross Premiums.	Losses incurred.	Losses paid.
Aachen & Munich	\$ 7,135	\$ 5,857	\$ 5,857
Etna	64,014	25,011	23,388
Alliance Assurance	3,559	61	61
American Central	12,585	2,806	2,806
American Fire	18,068	6,229	6,004
American	14,164	2,009	1,529
Atlas Assurance	20,732	10,585	11,142
Agricultural	45		
British America	4,523	2,074	4,572
Continental	10,862	3,737	3,891
Commercial Union	41,448	5,033	3,870
Connecticut	11,407	1,468	1,468
Caledonian	38,275	5,088	4,688
Fire Association	14,875	5,442	5,442
Fireman's Fund	45,034	16,749	16,411
Franklin Fire	6,295	106	106
German-American	33,495	8,655	8,655
German Alliance	3,621	2	2
Greenwich	4,281	311	511
Hanover Fire	14,823	6,723	6,723
Hartford Fire	51,958	20,238	20,886
Helvetia-Swiss	741		

Home Mutual	24,301	*41,902	42,152
Home	21,104	4,590	4,656
Hamburg-Bremen Fire	17,082	8,322	8,676
Imperial	18,506	5,842	6,638
Ins. Co. of North Amer.	20,457	9,121	12,625
Liv. & London & Globe	68,557	12,235	12,235
Lion Fire	15,312	6,177	6,164
Lancashire	30,048	4,512	4,547
London Assurance	8,626	1,300	1,418
London & Lancashire	36,774	9,843	9,793
Milwaukee Mechanics	8,277	2,188	2,188
Manchester Fire Assur.	44,353	7,680	4,203
Manhattan Fire	2,625	10	...
Magdeburg Fire	8,199	2,129	3,508
National Fire	24,277	5,148	5,763
N. British & Mercantile	22,375	7,743	9,550
North German Fire	16,541	6,762	6,762
Norwich Union Fire	27,325	8,192	10,808
Northern Assurance	8,626	1,300	1,418
Norwalk Fire	1,289	101	101
Orient	9,816	1,002	2,117
Palatine	37,056	14,013	18,251
Pennsylvania Fire	22,002	11,439	9,672
Phoenix Assurance	18,753	1,793	2,652
Phoenix	20,615	4,560	4,656
Providence-Washing'tn	8,802	3,087	3,934
Prussian National	5,849	701	372
Queen	10,224	2,187	2,540
Royal	54,493	14,485	16,152
Royal Exchange Assur.	11,478	7,748	8,498
Scottish Union & Nat'l	16,952	9,434	13,755
Springfield	18,420	6,299	6,962
St. Paul	6,796	2,238	2,037
Sun Insur. Office	14,497	10,460	10,460
Svea Fire	13,617	4,592	4,592
Thuringia	21,780	1,620	1,620
Transatlantic Fire	10,531	6,367	6,667
Union Assurance	14,944	6,794	7,081
United States Fire	1,957	...	...
Westchester Fire	9,838	2,956	4,612
Williamsburg City Fire	3,318	12	12
Western Assurance	11,299	13,903	14,331
Totals	\$1,204,035	\$398,995	\$422,165

*Gross losses.—Home Mutual net losses in Washington 1897, only \$6,147.

Western Union Governing Committee.

President Harbeck of the Western Union has appointed the three members needed to bring the governing committee up to its full quota. They are W. H. Cunningham, of the Fire Association of Philadelphia; J. H. Brewster, assistant United States manager of the Scottish Union, of Hartford, and R. H. Garrigue, manager of the Merchants. The other members of the committee are W. J. Littlejohn, manager of the North British & Mercantile; William S. Warran, resident secretary of the London & Liverpool & Globe; J. H. Washburn of the Home; G. H. Lermit, manager of the Northern; Eugene Cary of the German-American; Law Brothers of the Royal; Fred. S. James of the National Fire, and J. W. G. Crofan of the Hartford.

The Boston Marine is now the Boston Ins. Co.

MARINE NOTES.

The marine insurance companies have been highly excited since the first of the year with the large volume of business growing out of the rush of people to the Klondike via Skaguay and Dyea, then the losses on this business, and at the moment, the covering of cargoes and vessels against war risks.

Our prophesy regarding the Alaska business has been more than fulfilled. The losses since January 1st have been very severe, and now that the business has "slumped," the question of moral hazard is a very important factor, and more than one loss will doubtless occur as a result.

The vessels actually lost during the first three months were the Clara Nevada and the Whitelaw, which probably cost marine underwriters \$50,000. In addition to this the Corona, now undergoing repairs at this port, will no doubt be a \$50,000 job; the Hueneme (two disasters), another \$10,000, and innumerable small claims, bringing up the losses paid so far on this business to at least \$75,000.

The last two or three weeks have been productive of considerable business on war risks and one or two of the offices must have written a large volume of premiums. If the American-Spanish difficulty should be peacefully settled they will net a handsome profit as a result.

From English and New York papers we learn that a very strong movement is on foot to improve conditions, increase rates, etc. The English companies have been losing money to such an extent that they all seem to realize that the time has come when something must be done. Meetings have been held in both Liverpool and London, committees appointed, and the feeling seems to be that much good will result. In New York several meetings have been held, at which every company doing business on the Atlantic Coast has been represented, and there is every reason to anticipate that before long marine insurance business upon the Atlantic Coast will be put on such a footing as to enable the companies to at least get premiums enough to pay their losses and expenses, which they have not been doing for several years.

Marine war risks on the Atlantic Coast have been as high as ten per cent.—which is as much as the rate on a Kansas pine-frame range in a border town.

Defective Electric Wiring by the Mutual Electric Company.

DANGEROUS CHEAP JOHN WORK CAUSES FIRE AND ELEVEN HUNDRED DOLLARS SMOKE DAMAGE.

Cheap wooden conduits, beneath a sidewalk, in San Francisco, caused a large smoke damage loss last week. Electric-light wires became "cross-circuited," or something of that sort. Anyway, the cheap, grooved wooden conduits in which the wires are laid caught fire and were destroyed. The smoke was forced into the millinery store adjacent, and damaged the stock to the extent of eleven hundred dollars. We are informed that the poor work of this electric-light company is responsible for other recent fires. The company is undoubtedly liable for this last loss, and its collection, by law, would doubtless have a wholesome effect.

The Mutual Electric is a small San Francisco concern, with stock not half paid. Whether it is a legitimate enterprise or was merely organized to be bought up, we need not discuss in these columns. The Mutual Electric is getting some business. Using cheap material it is in a position to offer cut rates. It is like an insurance company which can cut rates because it sells poor indemnity.

Fire underwriters have a timely interest in this matter, not only because of recent electric losses, but because the responsible company is making a determined bid for additional business at rates which, judging from the past, will compel the Mutual Electric to use dangerously cheap materials. The company's poor and defective work will increase the fire hazard of every risk lighted by it. The board of supervisors should be asked to require all electric companies to use iron conduits and safe materials generally.

Colorado fire business was profitable last year, making up for the conflagrations of the previous year. The past two years' losses were only 50 per cent. of the premiums, last year's losses being only 25 per cent. of the premiums. There was a

slight decline in receipts. The small losses in 1897 have doubtless contributed to conditions which in Denver at least have been on the line of demoralization. Two or three companies are not rejoicing over their Colorado experience, however. The home Grange Mutual, a mighty affair, took in \$384.90 and paid out \$307.38 in losses. The Pennsylvania Dutchman's loss ratio was 105.74, and the Security of New Haven had a 791.94 loss ratio.

Spotting the Impaired Risks.

The Mutual Reserve Fund "makes no bones" of admitting to holders of policies issued before 1890, that the new double-rates may be again doubled. The seeming intention is to force the members to submit to another medical examination, under pretence of offering a better contract at a slight increase of cost, conditional on passing the examination.

This certainly will enable the association to "spot" many impaired risks. As the latter will of course retain their old form of contract, the experience in their class will be disastrous. The proportion of impaired lives among this class of members will be greatly increased, and the mortality rate will soon require prohibitory rates. If the management of the Mutual Reserve Fund desired to "freeze out" the old and infirm and sick members, and thereby reduce the average age and decrease the average mortality rate, they could not have hit upon a plan better calculated to accomplish the desired result. The increase in rates, the cold threat of a further increase, and the offer of a new contract to only those members able to pass a new medical examination, virtually segregates the impaired members in a class by themselves, and enables the association to force them out by extraordinary rates imposed under false colors, with a sham pretence of equity and legal right.

We challenge anybody to reconcile with honesty and justice the recent course of the Mutual Reserve Fund Life Association.

TOPICS OF THE MONTH.

It is said of dreams that "they go by contraries," and experience with the sensational press, called "yellow" journals, has inclined the sensible public to believe that their statements and predictions likewise "go by contraries." From the appearance of the cloud on the Cuban horizon daily journals of this class have been bloodthirsty prophets of war, and have been filled with distortions of facts, with foolish conjectures, and with actual falsehoods. But in spite of this evidence to the contrary, it must be admitted that war is possible. Marine and life officers must be prepared for so deplorable an issue of the present Cuban controversy; and even the fire offices will be asked for a policy covering the war hazard in harbor cities. Several life offices have already informed policyholders that they will be allowed to enlist in defence of the country, without additional premium. This may be considered a safe and inexpensive method of advertising. The percentage of policyholders—who are chiefly men with dependents—who would volunteer is small, and the war mortality in excess of normal mortality among these soldier policyholders would be still less. In our long and bloody civil war, for which many men were drafted, the life offices were able to cover the additional hazard by a small additional charge. Should war be declared, however, all companies will issue a "war permit" at a slightly advanced premium to new policyholders. No company can afford to assume this war risk as regards new insurers, without an increase of premiums.

Companies which subscribe for a number of insurance journals might profitably send sample copies to new appointees. The agent who reads insurance literature is a safer man than the agent who doesn't. We have noticed, too, that defaulting locals are not readers of insurance journals. They have no time to read, because too much of their time is required for poker.

About one-tenth of the assets of fire offices in the United States is invested in

government bonds. The foreign companies' proportion is one-fifth. The proportion invested in real estate is one-tenth.

It might be well for Commissioner Fricke to give some more satisfactory reason for excluding a New York company than that of its having a name similar to that of a small Illinois company, as long as he allows a dozen of companies to remain, with duplicate and triplicate names.

Life and Casualty Notes

—DENVER.—The *Ætna Life* won in the aneurism suit. Accidental death was claimed. Defendant contended that the fall was the result of the bodily infirmity.

—The Cincinnati Life Underwriters Association had a very satisfactory meeting on the 24th ult. President Greene of the Connecticut Mutual and President Pattison of the Union Central were among the speakers. One speaker advanced the novel idea that there should be one physician in every town to represent all companies and give his exclusive services to them.

—The suit of A. A. Green, Jr., of Fort Worth, Texas, against the Equitable Life Assurance Society for \$225,000, is so absurd that we feel, when the matter is placed before the jury, a verdict will readily be found in favor of the defendant. Mr. Greene charges that President Hyde and Auditor Maine, of the Equitable, made a contract with him to act as the society's general agent in Fort Worth; that fraudulent statements were made to induce him to enter into the contract; that they promised a 60 per cent. commission of the premiums on all policies written through his agency for the first year and a renewal interest of $7\frac{1}{2}$ per cent. for nineteen continuous years. To overcome any deficiency that might accrue the society promised to advance him 15 per cent. on the premiums of business written through his office as a loan; that this amount would be offset by the renewal commissions in a few years. Now Mr. Green claims that his ignorance was taken advantage of, and it seems that he did not know that there would be deaths and lapses among his policyholders, thereby reducing the renewal interest. He claims that he gave his whole time to the society's business, and spent more money than he made.—*Flash Lights.*

—The Connecticut Mutual wrote \$10,547,361 new business last year.

—The New York Life has offered to lend the National government \$10,000,000 in the event of war with Spain.

—The Equitable of Iowa, the Royal Union, the Berkshire and the Security Trust wrote less in '97 than in '96.

—The Provident Savings now has more convenient offices in New York, in the New York Life building, at 29 Broadway.

—The Life Insurance Clearing Co. of St. Paul has escaped a receivership; for awhile at least. The company is still impaired \$35,000. No new business is being solicited.

—Prof. Stewart of the Mutual Life, who has visited Cuba, says the struggling islanders became a nation by the tragic death of Maceo, who lost his life through the characteristic treachery of the Spaniards.

—EQUITABLE INDENITY ASSOCIATION.—The Washington insurance report says of this fake scheme: "The lower court granted the prayer of this department, but the Association appealed to the supreme court, which court recently affirmed the decision of the lower court and remanded the case to said lower court to carry out its original decision by the appointment of a receiver. In pursuance of this order P. M. Troy, of Olympia, Wash., has been appointed said receiver."

—A Cleveland bicycle maker, it is said, is giving a life policy away with every wheel sold. The policies pay \$1,000 to riders of that make of wheel whose death is caused by any defect in the material of the bicycle. Funds to cover losses have been deposited with a trust company. This is a form of insurance, and it is unauthorized. We call the attention of Supt. Matthews to the matter. The bike-maker's offer is a safe one, for it is very poor steel and a rare accident which would combine with fatal results.

—Somebody issued a rather clever anonymous circular, imitating the New York Life's red and blue announcements. At first glance it seemed the product of that office, but a few words informed the reader that it was a screed which the author did not dare to father. Mr. Perkins took the powder out of the alleged bomb by reprinting it, with a brief letter, and sending it out as a canvassing document. This journal's position regarding anonymous literature is well known. Self-respecting agents will not use it.

Chips.

—Who, or what, is the "Virginia Ins. Co.?"

—The Phoenix Mutual Life will grant free war permits.

—Rumors of "tricks" in board rates come from newspapers.

—A. Guy Smith of Tustin, an old agent, died after a short illness.

—There are more specials than locals south of Tehachapi just now.

—The Germania Life has withdrawn from the anti-rebate compact.

—Elmer Stearns and J. A. Cameron have been appointed by Manager Finnegan of the Travelers, on Southern Pacific railway work.

—Assistant Manager Herbert Folger of the Aachen & Munich has been three or four weeks with his Oregon and Washington agents.

—Pacific Coast life insurance agents should call upon or correspond with James B. Day, Coast manager, if they want an opportunity to make money.

—Bob Mitchell, for several years an insurance employe in San Francisco, and well known in amateur amusement circles, has become a comic opera singer.

—E. S. Kendall, formerly with the St. Louis office of the Travelers Ins. Co., is now associated with Manager Finnegan of the San Francisco office of that company.

—Thomas B. Bell, manager for Australia, of the Atlas Assurance Company of London, arrived on the *Alameda* on the 6th inst. He will remain in San Francisco for a few days, and will then proceed through Canada to New York, where he will be joined by Manager Devlin, of San Francisco, and both will then depart for London, to visit the home office of the company.

—ERRATA.—Lancashire's correct figures for Utah are: \$388,103 written, \$7,983 premiums, and \$6,177 losses. Correct figures for Teutonia: \$22,500 written, \$380 premiums, and no losses. The Teutonia also wrote in Alaska \$3,000, with \$60 premiums and no losses; in Idaho, \$12,557 written, \$288 premiums and no losses. The Lancashire wrote \$65,861 in Alaska, with \$1,222 premiums and \$138 losses; in Idaho, \$96,936 written, \$2,634 premiums and \$3,052 losses.

—Samuel I. Allardt has been appointed manager of the N. W. Pacific department of the Manhattan Life Ins. Co., with headquarters at Portland, Oregon, vice S. E. Mullford, the former manager, whose recent sudden death was noted in this paper.

—F. A. Timby, the rustling and up-to-date State agent of the Preferred at Salt Lake City, is paying the headquarters of the Coast department a short visit. Mr. Timby intends staying here only a short time, and then go on to Los Angeles for a visit.

—A. G. Dent, of London, foreign superintendent of agencies of the Sun Insurance Office, made a social call on General Agent Callingham the latter part of March. Mr. Dent is on his way home from a business trip through India, China, Japan and the Hawaiian Islands.

—Doctor W. B. Lane, superintendent of agencies of Manhattan Life Ins. Co. of New York, has been visiting the Coast. Dr. Lane returned home last week, stopping over at Salt Lake City, Denver, St. Louis, etc., to inspect the agencies of the company in those places.

—Argentina requires every foreign fire insurance company to deposit \$300,000 bonds of the republic, bought at 15 per cent. advance over market rates, payable remotely in silver bullion. Foreign life offices must deposit \$150,000. The new law seems an invitation to leave.

—The general agents of the Hamburg-Bremen who have been associated with United States Manager Affeld for the past twenty years or more—twelve in number—presented him with a silver loving-cup. Among the old associates' names we note those of Rudolph Herold, Jr., (1872) and Harry C. Boyd (1878).

—The Norwich Union Fire Insurance Society has acquired by purchase the fire business and good will departments of two Australian offices. The South Australian of Adelaide, established in 1846, the last local office in South Australia, and the Indemnity Fire and Marine of Melbourne, established in 1881.

—The seven-story Ayer building in Chicago, of "mill construction," collapsed ten minutes after fire broke out. It was 80x160 ft., with front wholly of iron and glass. Ten persons were killed, there being only one small fire escape, and that in the rear. The insurance rate was low. The loss was about three-quarters of a million.

—One hundred and twenty-four fire companies have 257 millions of assets in the United States. Their net surplus funds increased 21 millions last year. Risks written advanced 711 millions. Risks in force advanced 274 millions. These figures are compiled from the Connecticut report, just compiled.

—Clarence M. Smith has just returned from a trip to southern California, where he met Mr. Willard Merrill, vice-president of the Northwest Mutual Life. Mr. Merrill arrived in S. F. last week for a stay of a few days, and will return home via Portland and the Northern Pacific. He is out on a tour of inspection.

—MILWAUKEE.—Burgess, who sued Tomkiewicz for the recovery of \$150 wagered and lost, gained his point. He claimed that the case against him had not been proved, and the jury agreed with him. An account of this affair appeared in our last issue, under the heading "Wiscousin Wager." It transpires that the insured, who received the wager, was an agent of the life company which he ruled issued the better policy.

—A. C. Stocker of Chicago, the broker who has by shrewd methods managed to secure the policies of some of the most prominent companies doing business in the West at rates alleged to be below tariff, has gone to San Francisco with the avowed intention of completing the organization of a new stock fire company with \$300,000 capital and surplus. It is planned that the new concern shall write large lines of say \$20,000 on unprotected and \$50,000 on equipped risks from headquarters in either San Francisco or New York.—*Standard*.

—President Stevens of the New England Mutual Life was asleep in the Palace hotel, San Francisco, when the earth quaked last month. Of course he awoke, but instead of turning over and going to sleep again like a native, he rose and waited with becoming resignation for the crack of doom. President Stevens says he had heard that the first shock was always followed by a heavier one. Therefore he said his prayers, got up and dressed and sat before the fire, waiting for the second shock which must inevitably topple the great hotel into ruins. Flight would only make doubly certain a certain doom. Next morning he walked about and around the hotel, and was surprised to find no yawning chasms or zigzag cracks in walls or streets.

—Rates were restored on the Coast just a year ago.

—George W. Spencer of the Aetna is visiting his Pacific Northwest agents.

—Special J. C. Mooney of Denver, working for the Phenix, died suddenly a few days ago.

—The Phoenix of Hartford is an honored guest on this side of the Atlantic.—*Review*, London.

—If you are feeling blue, read the "roster of home ranch officers," on page 188. It will cure you.

—In vacation time it takes seven days to make one week and several weeks to make one strong.

—It is estimated that the growing grain premiums this year will be about one-half of the last year's "crop."

—The Northwestern Mutual Life writes nearly a third of all the life business in its home State, Wisconsin.

—Geo. W. Lowery, district manager Phoenix Mutual Life at San Jose, spent two weeks in the city and did a nice business.

—One of our machine-set contemporaries says that "Agent Johnson will dnalouCtR-Ffi½gN cmfwypcmfwypetaocmfwa." Glad to hear it!

—President C. H. Bigelow of the St. Paul F. & M. Insurance Company accompanied by Mrs. Bigelow is spending a few months in California.

—The Phoenix Mutual Life has recently issued two new contracts that are good, easy sellers. Call and see Manager Osborne, Claus Spreckels building.

—W. F. MacLaughlan has been appointed agent at Los Angeles for the Phoenix Mutual Life, under District Manager W. B. Stirdivant.

—H. L. Votaw, a prominent insurance agent at Tacoma has formed a copartnership with John R. Palmer, a well known business man of that city. The firm name is Palmer & Votaw.

—The Standard Accident Ins. Co. of Detroit makes a good showing January 1st this year. The assets are \$850,903.78, and the policyholders' surplus is \$275,245.62. Superintendent Clarence F. Briggs of the Pacific Department made large gains in his department last year, with a very moderate loss ratio.

—The P. C. A. of Insurance Examiners meets in Seattle next month.

—Hiram H. Lee of Denver, special for the National of Hartford, visited Manager Dornin the early part of the month. Mr. Lee reports business in Colorado in a healthy condition.

—A sporty San Francisco agent pastes in a book the picture of every great prize-fighter whom he has seen in the ring. Of course this agent calls this valuable collection his scrap-book.

—Manager Christensen has received a set of views of the Lloyds Plate Glass Insurance Company's building, including several interior pictures of the company's different departments, all of which are very handsome.

—Special Agent and Adjuster E. J. Jolly of the Commercial Union and Alliance has been spending a few weeks with Manager Mullins. Mr. Jolly came direct from Butte City, where he has been engaged several weeks in the adjustment of a very "shady" loss.

—EARTHQUAKE.—On the 30th ult. San Francisco and vicinity were rocked by a temblor more severe than any since 1868. There was only one, but it lasted two thirds of a minute. As usual, clocks stopped and a few chimneys were twisted to a perceptible degree. The sky-scrappers are supposed to have reeled, but there are no cracks to indicate the severity of the shake. The ancient brick building on the south-west corner Montgomery and California—the one with a new wooden story on top—still stands without the loss of a single old brick, or the breaking of an age-worn joint. So we are sure that the report of the severity of this earthquake has been much exaggerated.

—The Fidelity & Deposit Company of Baltimore makes an excellent showing January 1 of this year. Here are some of the figures: Assets, \$2,500,524; cash capital, \$1,000,000; surplus, \$1,000,000. This Baltimore company does only a surety bond business, and a glance at its past record indicates that the company is managed by men who know their business. The officers are: Edwin Warfield, president; Herman E. Bosler, secretary; H. Crawford Black, Jos. R. Stonebraker and Henry B. Platt, vice-presidents. The Pacific Coast manager of the company is Frank L. Gilbert, 204-208 Sansome St., San Francisco, who has done a most satisfactory business for his company.

—Referee Reed has found two Texas life agents guilty of rebating.

—Assistant General Agent Wright has gone to Portland on a business trip.

—The Washington Life will make no extra charge for the Spanish war risk.

—Chas. W. Knox & Co., have been appointed agents for both Sun and Orient at San Jose.

—Gov. Bradley of Kentucky vetoed the resident agency bill, on the ground of unconstitutionality.

—Major Day, manager of Washington Life, has returned from a trip to southern California, and reports good results from that field.

—A sprinklered piano factory risk in Boston caught fire last month. Three old-style sprinklers opened and gave the automatic alarm. The loss, mostly by water, was only 2 per cent. of the insurance.

—The German Alliance has paid up its increased capital and surplus. Cash assets now \$776,000 and net surplus to policyholders, \$630,000. This removes any suspicion that this company belongs to the "annex" class.

—Frank G. Smith has been appointed a special agent of the Connecticut Fire Ins. Co. His field will be northern California, with headquarters at Sacramento. The new special is not related to Manager Smith.

—A State fire marshal law is proposed in Iowa, by the legislative department of the Property-Owners Fire Association. Such a law would diminish the number of incendiary fires, and in a short time reduce fire insurance rates.

—The San Francisco Golf Club held its fourth monthly competition for the Liverpool silver medal, a few days ago. The first honors were won by the full handicap man, C. F. Mullins, Coast manager for the Commercial Union and Alliance.

—A good name was abused when New Yorkers organized a company to take over Lloyds business, and called the new venture the Lincoln Fire Ins. Co. It was alleged that \$200,000 capital and \$100,000 surplus were paid in. Rumors of bad methods and practices not exactly straight resulted in an examination and the appointment of a receiver. The officers of this speculative scheme should be posted for the warning of the public.

—The Mutual Life wrote \$140,632,461 paid-for new business last year.

—The Union Central leads in new business in its own State of Ohio.

—Insurance Commissioner Betts of Connecticut is in southern California, inspecting Travelers investments.

—Mrs. Elizabeth Reed has been appointed district agent at San Jose of Washington Life Ins. Company.

—The San Jose agency of the German-American has been changed from Rea & Co. to Wooster & Whitton.

—A. T. von Etlinger, of Portland, special with the Commercial Union and Alliance, has been spending a few days in Frisco.

—He called on his friend the manager the other day—just a friendly call to be sociable—and he said, "You must have a lot of calls from careless people who take up your time and never do the business any good." "Yes, I do," said the manager, "it is an awful bore, but my chief clerk has a good remedy; he sizes a man up and when he thinks he ought to go he tells me I am wanted at the telephone." Just then the chief clerk came in and said, "You are wanted at the telephone, sir."—*California Knapsack*.

—The insurance commissioner putters or slams along the uneven tenor of his way for one, two or four years, as the case may be, delighted at the attention his antics attract and growing continually in the belief that he is a devil of a fellow. To bring the officials of great companies "to time," hazard the savings of thousands of policyholders, earn a deal of newspaper thwacking and become generally detestable, naturally gives him the idea that he is, if possible, even a bigger man than he thought himself.—*Detroit Free Press*.

—The statement that Johnson & Higgins of New York have captured the immense business of the Cudahy and the Omaha Packing companies, at a cut rate, and have placed these lines in unauthorized foreign companies well illustrates the need of restrictive reinsurance laws. The Omaha agents complain because Nebraska has no resident agency law, but if it had the capture of large lines for reinsurance abroad in unadmitted companies would not be prevented thereby. Some big company, with a "resident agent," could do what this New York firm has done.—*The Argus*.

—The Union Mutual Life is writing more new business than at any time in the past twenty years.

—The Washington Life's new building in New York was placed at nine cents for three years.

—The Westchester is writing war-risks on sea-shore dwellings, with a non-cancellation clause.

—Superintendent M. R. Higgins of the Pacific Mutual Life visited New Orleans early in the month.

—Secretary Patton of the Pacific Mutual is off duty for a few weeks on account of an affection of the eyes.

—The Standard Marine of Liverpool has had its Illinois license canceled, for "failure to file a correct and complete statement."

—President Moore of the Pacific Mutual is visiting Chicago and New York on business, connected with the investment department of the company.

—Losses and expenses in Chattanooga are nearly double the premiums, but the companies are cutting rates to get that sort of business. "What fools these mortals be."

—The St. Louis board has raised Cain. Convicted and fined, Caine & Co. refused to pay, and their companies stand by them. The board has backed down.

—At Freeport, Ill., there is a very prosperous German—the largest company in Illinois—but it has never felt obliged to protest against the admission of a German from another State. It deals with property-owners who read.

—It is hard for some specials to remember faces, and it is a point with most specials never to admit that they do not remember an agent. At Stockton the other day, one of our boys was approached by a smiling stranger, who said, "You don't remember me now, do you?" "Oh yes, I do," said the special, "remember you perfectly well, but I forget just where you live." "Madera," said the stranger. "Why, of course," said the special, "and how are things at Madera?" but all the time he was thrashing about in his mind for the name of the Madera agent. It came to him after the affable stranger had disappeared—also the special's watch and chain. *California Knapsack.*

—The German of Freeport has opened an Eastern department. Why not a Pacific Coast department also?

—Having built more than the demand warrants, Chicago has passed an ordinance against sky-scrapers. The height limit has been fixed at 130 feet or ten stories.

—North Dakota is a hail State, and a half a dozen mutual hail companies distributed nearly \$22,000 among the farmers in 1897, and collected \$35,000 premiums.

—A St. Louis furniture dealer throws in a free fire policy for three years with every purchase. This beats "trading stamps," though perhaps not so legal.

—Ventura, Cal., schemers, are trying to organize a county mutual. The only sure payments it would ever make would be salaries. The farmers would be fleeced—as usual.

—Fred H. Beaver, gen'l agent Pacific Mutual Life, has returned from a trip through the San Joaquin Valley, where he spent several days supervising his field specials and local agents.

—SALT LAKE.—Premiums paid, alleged. No policy, admitted. Defendant Franklin said Ricker was not its agent, and that it had not insured plaintiff. Jury said he was and it had. Verdict, one-third amount asked.

—North Dakota premiums, \$451,330; losses incurred, \$459,761. This will be pleasing news to our old friend Col. Alson Old. The St. Paul does the largest business in North Dakota, and made money there last year.

—WASHINGTON.—The value of State supervision will hardly receive confirmation from the admission to Washington of the Ft. Wayne Insurance Co., of Indiana; the Odd Fellows Annuity of Des Moines; State Life of Indianapolis, Denver Life, Chicago Loan and Trust Co. As soon as a receiver is appointed for one of these concerns we'll jog Deputy Heifner's memory.

—San Francisco fire wardens haven't too much authority. The other day they refused Tom Clunie permission to erect a wooden building within the fire limits. He went before a board of supervisors committee and readily secured the coveted permission. Tom is a politician, and was readily granted what a mere property-owner, on his knees, would have been denied. Moral: buy a wind-bag and exercise your jaw in politics.

THE COAST REVIEW

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No. 5

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Fire.

Joint Policy.

Corporations may issue a joint policy of insurance, provided it distinctly appears that each company receives a definite proportion of the premium, that each assumes only a certain proportion of the liability, and that neither company is liable for engagements or defaults of the other.—In re Insurance Policies, 7 Pa. Dist. R. 17.

Clerical Error.

Where, by a clerical error of the agent, a policy is made to cover a "building" instead of "buildings," and where it was the intention to cover two buildings instead of one, the company is liable for the loss of either building.—Shanahan v. Agricultural Ins. Co., 6 Pa. Super. Ct. 65; Same v. London & L. Fire Ins. Co., Id.

Divisible Policy.

A "floating policy" of insurance, covering horses, oxen, young cattle and sheep, was issued for the gross sum of \$2,400, and provided for a maximum valuation, in case of loss, for the animals of each class separately. It also provided

that it should be entirely void if the property became mortgaged. At the time of a loss by fire, some, but not all, of the animals were mortgaged. Held, that the policy was divisible, and that a recovery might be had for those destroyed which were not in the mortgage.—Tompkins v. Hartford Fire Ins. Co., 49 N. Y. S. 184, 22 App. Div. 380.

Threshing Engine.

The construction of language in a policy that "fires caused by the use of steam engines on the premises insured, other than threshing-machine engines using coal for fuel with sufficient wood to kindle or start the fire," is for the court.—Burnett & Beaver.

Under a policy excepting fires caused by the use of steam engines, other than threshing-machine engines, using coal for fuel with sufficient wood to start the fire, a company is not liable for a fire started by a threshing-machine engine when wood was used up to a short time before the fire occurred, even though coal was the last fuel put into the fire box before the fire occurred.—Thurston v. Bennett & Beaver Dam Farmers' Mut. Fire Ins. Co., 74 N. W. 131.

Signed in Blank.

An insurance company is not liable for the cancellation value of policies paid to a person fraudulently representing himself to be their owner, if they were by the insured signed in blank, and delivered to such person, as his agent, for another purpose.—Vanderslice v. Royal Ins. Co., 7 Pa. Dist. R. 51.

A fire insurance policy was payable to a mortgagee as his interest might appear, and the owner of the property signed, acknowledged and delivered a deed with the grantee's name left blank, but attached to the deed was a paper authorizing the party holding the deed to fill in the name of the grantee. Upon learning the facts the insurance company refused to pay the loss. Held, that a judgment for the use of the mortgagee against the insurance company was proper.

Westchester Fire Ins. Co. v. Jennings, 70 Ill. App. 539.

Note in Default.

Where an insurance policy provides that failure to pay a premium note shall work a forfeiture of the policy, but that after such failure the insured shall have the right to make payment and revive the policy, the acceptance of partial payment waives nothing, and, if a loss occurs before full payment, the insured cannot recover.—German Ins. Co. v. Denny, 70 Ill. App. 437.

Waiver.

Where an insurance policy provided that the insurer, by demanding an appraisal, should not be held to waive any forfeiture, and, to determine the loss, an appraisal was made, under an agreement that it should not constitute a waiver of the insurer's right to claim a forfeiture—the question of the latter's liability being reserved for settlement by the courts—the entering into such an appraisal did not constitute a waiver of a forfeiture.—City Drug Store v. Scottish Union & National Ins. Co., 44 S. W. 21.

False Swearing.

A policy providing that it shall be void in case of false swearing by insured is not avoided where a person honestly believes the value of destroyed property to be as he swears, even though it is not the true value, when there is no motive for making a false statement, and the value, as found by the jury, is \$2,000 in excess of the amount of the insurance, though that sum was \$1,600 less than the amount fixed by insured.—Phoenix Ins. Co. v. Shearman, 43 S. W. 930.

Common Carrier.

A common carrier stored in its elevator the grain of its shippers, awaiting transshipment, and procured 12 policies of insurance on such grain. While all of these policies were in force, a loss occurred, for which the carrier was liable to the shippers. Held, that the carrier was entitled to recover in its own name on these policies, holding in trust for the shippers

all in excess of its own claims on the grain; but, since it was liable to them for the loss, it would hold all of the amount recovered on its own claim, and, when it paid the amount to the shippers, would do so, not as trustee, but in satisfaction of its own liability to them.—Home Ins. Co. v. Minneapolis, St. P. & S. S. M. Ry. Co., 74 N. W. 140.

Gasoline.

A condition that a fire insurance policy shall be avoided for any increase of hazard was invoked where an addition to a grain elevator had been built, and a gasoline engine placed therein. Held, that whether these increased the risk, and whether they caused the fire, were questions for the jury.—Crete Farmers' Mut. Tp. Ins. Co. v. Miller, 70 Ill. App. 599.

An insurance policy provided that it should be void if illuminating gas or vapor should be generated in the building, or adjacent thereto, to use therein, or if gasoline should be kept or used on the premises. Insured manufactured "French Electric Fluid" from gasoline and other ingredients, which was kept in a shed separate from the insured building, and used it in a lamp for lighting said building; a portion of it being kept on a shelf in the back part of the building. Insured had used all of the fluid several days before the fire occurred, and was not using any at the time of the fire. Held, that the facts warranted a finding that no illuminating gas was generated in the building for use therein, and, in the absence of expert testimony that French Electric Fluid and gasoline are the same, the facts also justified a finding that no gasoline was kept or used on the premises.—Phoenix Ins. Co. v. Shearman, 43 S. W. 930.

Marine.

A policy of marine insurance, on "personal effects," consisting of clothing, silverware, nautical instruments, etc., of the insured and his family, and containing the clause, "Warranted free from all average," though ambiguous because of uncertainty as to whether such clause refers to the entire property in gross, or to each

separate article, will be construed as a severable contract, upon which the insured may recover for each article totally lost.—*Woodside v. Canton Ins. Office*, 84 F. 283.

Collision.

Under a contract of insurance designated "towers' liability," binding the insurer to indemnify the owner of a tugboat against loss arising from accident caused to any vessel in tow by collision, the term "collision" covers an injury caused to the vessel by violent contact with part of an ice floe through which, in accordance with local usage, the vessel is being towed by the tugboat.—*Newton Creek Towing Co. v. Aetna Ins. Co.*, 48 N. Y. S. 927, 23 App. Div. 152.

Life.

An insured, who has performed all the conditions imposed on him by a life policy, duly issued, and wrongfully canceled, by the insurer, may recover the present value thereof.—*Metropolitan Life Ins. Co. v. McCormick*, 49 N. E. 44.

Rebating.

An insurance agent without authority gave a rebate on a policy. After the policy was delivered, but before the company had been paid any of the premium, it learned all the facts, and knew that the agent thought that it had authorized the rebate. He declined to account for the rebate, and requested the company, if the contract of insurance was not satisfactory, to return the check then held by it for its share of the premium, less the amount of the rebate, and stated that he would cancel the policy. The company declined to do this, and afterwards collected the check and used the proceeds. Held, that a finding that the company ratified the rebate was warranted, though it continued its demand on the agent to make good the amount thereof.—*New York Life Ins. Co. v. Taliaferro*, 28 S. E. 879.

Extension.

Under a life policy containing non-forfeiture provisions declaring that, upon default after payment of two annual premiums, the net reserve, "less any indebtedness to the company on this policy," would be applied to the purchase of non-participating term insurance, a payment of a premium part in cash and part by a loan from the company, evidenced by a certificate signed by insured,

reciting that the company has loaned the amount on the policy, constitutes an indebtedness due the company, within the meaning of such provisions.—*Omaha Nat. Bank v. Mutual Ben. Life Ins. Co.*, 84 F. 122.

When, under the non-forfeiture terms of a defaulted life insurance policy, the net reserve, less indebtedness to the company, has been applied to the payment of term insurance, the insured cannot, two years after such default, and within a few days before the time of the expiration of the term insurance, extend the same by tendering the amount of such indebtedness. 81 F. 935 (C. C. 1897) affirmed.—*Same*.

Cash at Option of Holder.

When a life policy is payable upon the insured's death, to his wife, if she survive him, if she should not, to their children, and if neither wife nor child survive him, then to his executor or administrator, subject to a clause which provided that the policy might be converted into cash, at the option of the holder, at any time after 15 years from its date, for the amount indorsed upon the back of the policy, the holder, by exercising his option, becomes the beneficiary in the lifetime of the insured, to the exclusion of the wife and children.—*Travelers' Ins. Co. v. Healy*, 49 N. Y. S. 29, 25 App. Div. 53.

Surrender a Condition Precedent.

A policy of life insurance provided that, if the policy became void by default after three annual premiums had been paid, the company would issue a new paid-up policy for the entire amount which the full reserve would then purchase as a single premium, provided the policy was surrendered within six months after such default. Held, that the surrender within six months was a condition precedent.—*Stayner v. Equitable Life Assur. Soc.*, 49 N. Y. S. 380, 22 Misc. Rep. 53.

Massachusetts Nonforfeiture.

Pub. St. c. 119 (known as the "Massachusetts Nonforfeiture Law of 1880"), §§ 164, 165, provide that when, after payment of two full annual premiums, the insurable interest in the life of the insured has terminated, the net value of the policy shall be a surrender value payable in cash, and the insurable interest shall terminate when the insured has no minor or dependent child, and his wife, if he has one, and any living beneficiary named in the policy, shall join in the application for surrender thereof. Held to impose an obligation to pay the surrender value of a

policy in cash, to any policyholder therein who has paid two full annual premiums, and who has made application therefor, as required by the statute, provided the wife and all the living beneficiaries named in the policy join in the application.—*Hazen v. Massachusetts Mut. Life Ins. Co.*, 49 N. E. 119.

Commissions.

An insurance company contracted with its agent to pay him commissions on premiums and \$200 per month for the first 15 months, it being also provided that, "should your income from the commission part of your contract run more than your salary, you shall be entitled to the benefit of the same." The agent contracted in return to write \$200,000 of insurance during the 15 months. Held, that the agent was entitled to the salary and commissions in any event, and the salary was payable monthly.—*Bankers' Life Ins. Co. v. Stephens*, 74 N. W. 34.

Mutual Reserve Fund.

A member of a mutual life insurance company brought an action against the company to require it to conform to its policy in the management of its funds, alleging that the company had agreed to deposit a certain part of the assessments collected, as a reserve fund, with a trustee for the benefit of members; that large sums which should have been placed with the trustees had been deposited elsewhere, and were being used in extravagant speculation; and praying that the company be compelled to set aside the stipulated sums for the reserve fund, and the amounts paid to the reserve fund be ascertained, and the plaintiff be paid his proper proportion, with other demands of relief, designed to conform the company's methods to the terms of the agreement in plaintiff's policy. Defendant demurred. Held, that section 56 of the insurance law (Laws 1892, c. 690), which provides that no order, restraining or interfering with the business of an insurance company, be made, except upon the application of the attorney-general, or in an action by a judgment creditor, or in supplementary proceedings, applied to this action, and that the plaintiff had not legal capacity to maintain it. Judgment (1879) 46 N. Y. S. 841, 20 App. Div. 255, affirmed.—*Swan v. Mutual Reserve Fund Life Ass'n*, 49 N. E. 258, 155 N. Y. 9.

Suicide.

A policy obtained by one on his own life, payable to himself, his executors, administrators, or assigns, and which is silent on the

subject of suicide, becomes void if the insured commits suicide when sane. This results both from the presumed intention of the parties, and from principles of public policy. Judgment (1895) 70 F. 954, 17 C. C. A. 537, affirmed.—*Ritter v. Mutual Life Ins. Co.*, 18 S. Ct. 300.

A person is sane at the time of taking his life when he is able to comprehend the wrongfulness of his act, and to realize its full consequence to himself, his character, the members of his family and others, as fully as would a man of sound mind.—*Same*.

When one kills himself while insane, even though he intends that the result of the act shall be fatal, but through the impairment of the reasoning faculties is not able to understand the moral character, nature, consequences and effect of such act, or is impelled by an irresistible impulse which he cannot withstand, it is not suicide within the contemplation of the parties to a contract of life insurance, and the insurer is liable. *Grand Lodge I. O. M. A. v. Wieting*, 68 Ill. App. 125.

Where a life policy is silent as to suicide, it will not for such act be avoided as against the wife of insured, who is the nominated beneficiary.—*Morris v. State Mut. Life Assur. Co.*, 39 A. 52, 183 Pa. St. 563, 41 W. N. C. 353.

The charter of a mutual life insurance company empowered its directors to enact or amend by-laws, and they amended a by-law so as to provide that, in case a member committed suicide, his policy should not be paid. A member whose policy was issued prior to such amendment stated in his application that he would conform to the by-laws "now in force, or which may hereafter be adopted by the * * * board of directors." Held, that such member was bound by such amendment.—*Hughes v. Wisconsin Odd Fellows' Mut. Life Ins. Co.*, 73 N. W. 1015.

Assignment.

Where a life insurance policy is assigned to an indorser for the insured as security, and the indorser transfers the assignment to the creditor to secure the same debt, the title vests in the latter so as to enable him to hold the policy as collateral security for the debt, and to sustain an action on the policy.—*Corcoran v. New York Mutual Life Ins. Co.*, 39 A. 50, 183 Pa. St. 443, 41 W. N. C. 381.

Where a life insurance policy is assigned to the indorser of the insured's note as security,

a renewal note is not an extinguishment of the former, so as to destroy the assignment, and cause the policy to revert to the assignors without formal reassignment.—Same.

Accident.

Plaintiff was not chargeable with knowledge of an accident which happened because his servants had knowledge, as neither his drivers, stablemen nor foreman were his agents for the purpose of giving notice to the company.—*Mandell v. Fidelity & Casualty Co.*, 49 N. E. 110.

"As a Passenger."

One injured while attempting to alight from a moving electric street car is to be regarded as having been injured "while riding as a passenger in" the car, within the terms of a policy.—*King v. Travelers Ins. Co.*, 28 S. E. 661.

Intoxication.

An application for an accident policy provided that it should not cover any injury received while under the influence of intoxicating liquor or narcotics. The policy issued "in consideration of the warranties in the application" provided that it should not cover death resulting from medical treatment (except amputations necessitated by injuries), intoxication or narcotics, or voluntary or involuntary taking of poison. The insured became intoxicated, and, when far towards delirium tremens, was taken for treatment to sanitarium, where a physician administered hypodermically several doses of morphine. From the immediate effect of the last dose insured died. Held, that the insurer was not liable.—*Flint v. Travelers Ins. Co.*, 43 S. W. 1079.

After insured's death, resulting from being voluntarily engaged in a fight, the insurer's local agent demanded a premium of the beneficiary's representative, and stated that its payment was necessary to validate the policy; whereupon he was paid the amount of the premium. He testified that he did not forward such amount to insurer, as he had previously advanced the premium, and had charged the amount against insured as a personal debt. Held, the question as to whether insurer waived the forfeiture by receiving the premium should have been submitted to the jury, as it might have believed that the agent, after collecting the premium, attempted to protect insurer by claiming the debt was due him.—*Morris v. Travelers' Ins. Co.*, 43 S. W. 898.

Suggestions upon the Choice of Fire Insurance Literature.

BY HERBERT FOLGER.

[Continued.]

Construction.

Side by side with improvements in water supply and methods of fire protection and extinction, there has been marked progress in the construction of buildings. It must be confessed that our library is not as well equipped in this respect as in others, but the importance of the subject can hardly be overestimated. Page after page of the fire department reports from Chicago, Kansas City, Milwaukee, Syracuse and elsewhere draw attention to the rapid spread of fire due to defective construction in large mercantile structures. And in fire-proof buildings, so-called, it too often happens that the damage to the fire-proofing, ornamental fronts, etc., is an exceedingly heavy item. A proposed uniform building law has been put forth by the National Board of Fire Underwriters, but it will be difficult to secure its general adoption, while good material is costly and inflammable material is cheap. Most of the papers bearing upon this topic are technical; but no time will be wasted which is given to the valuable address before the Fire Underwriters' Association of the Northwest—"Architecture and Fire Insurance"—by the well known architect, Mr. John W. Root, who cannot be accused of any special bias in favor of insurance companies. Such papers as this should be read more widely than by the circle to which they are addressed. In the same category is a paper read by Mr. C. J. H. Woodbury before the American Society of Mechanical Engineers, entitled "Methods of Reducing the Fire Loss," which contains a most concise yet complete statement of what fire resisting and mill constructing are. In addition we have the annual reports of the American Institute of Architects, including several papers upon modern building methods; and mention should be made of an article by the indefatigable president of the Continental Insurance Co., upon the "Relation of Construction to Fire Insurance."

Inspection.

Only a moment can be given to the subject of surveying and inspection. The reports of the New England Bureau of United Inspection have demonstrated its right to exist, and there are other bureaus of similar character. Because the practice across the water is quite different from ours, your especial attention is directed to Mr. George A. Todd's paper on "Fire Surveying," read before the Glasgow Society, and one entitled "Surveying of Fire Risks," by Mr. G. J. Johnson, read before the Manchester Institute. Perhaps the most practical paper on the subject of inspection, from the American standpoint, was written by Mr. U. C. Crosby—"Necessity for Concerted Action in Improvement and Inspection of Risks"—from which the following is taken:

"We have in the little territory of New England over one hundred special agents. Their interests are so interwoven we cannot separate them if we would, yet these one hundred specials are traveling all through this territory, running hither and thither, crossing and recrossing, duplicating each other's work in one mad whirl of inspection which does not improve, and supervision which does not reduce hazards or the loss ratio, and this is done at great cost and expense and must be paid for by the assured. If the energy and ability represented by this corps of field men were properly distributed and directed, grand results would be obtained. Our efforts should not be mainly in the direction of rates, but in that of intelligent consideration of hazards, the improvement of risks, and the reduction of the loss ratio at present existing in this country. This cannot be brought about by separate and independent action on the part of each company, but only by concerted action in which the assured must be an interested and active factor. We must so adjust the work of our organizations that the public will see they are absolutely necessary to the business, and that they produce a reduction, not an advance, in the cost of insurance."

Settlement of Losses.

So much space has been devoted to other divisions of the subject that the settlement of losses must almost be crowded out. It is doubtful if any other body has given so much attention to the subject as our Pacific Association—certainly our papers are not surpassed in completeness and detail. Few of the papers received from other cities would, perhaps, be selected for general reading, but there is one, "The Conduct of an Appraisal," by Mr. Willis O. Robb, of Columbus, Ohio, which merits the highest praise. It is rarely, if ever, that a company in England calls upon other than a regularly engaged fire loss assessor (adjuster) to make settlement of losses; and as the surveyors have no such powers and duties as our special agents, there is not the same occasion for essays upon adjustments as with us, if, indeed, the assessors could be induced to prepare them.

Litigation and Legislation.

Before passing to papers of a miscellaneous character, notice must be taken of litigation and legislation, two dry subjects of extreme importance. Litigation affects less than one and one-half per cent. of the amount of loss incurred—not a continuous showing—and is principally confined to claims which are of doubtful propriety, even though it be impracticable to prove them to be either fraudulent or excessive. The record occupies more volumes of law reports than we could wish, and is largely condensed into the Insurance Law Journal. In addition, there are several text books bearing upon the legal view of the nature and construction of the fire insurance contract, of which the most recent is the second edition of Ostrander, perhaps the best known in law

practice is Wood on Insurance, and one of the most convenient is Clements' Digest, because it follows the exact order of the New York Standard form, in the compilation of decisions. The English reports are singularly free from fire insurance cases, and it appears that, in consequence, their courts frequently turn to American precedents for guidance. It sometimes surprises them to find that quite contradictory decisions are announced upon the same proposition in two or three States. Almost the only paper from Great Britain on this subject was read in Glasgow by Mr. Alexander Watt, member of the Faculty of Procurators, Glasgow—"Fire Insurance—Practical Notes on Leading Cases." It is not to our credit that there is so much ground for the opening paragraph: "The cases decided in this country in connection with fire insurance are comparatively few. The insurance offices seem to have the faculty of managing to settle their disputes without having recourse to law, and arbitration has been the rule, not the exception. The Americans have not by any means been so successful in this respect, for almost every State has contributed more or less to what, I fear, we must call, in many instances, doubtful law."

Legislation, as applied to insurance, did not originally have any connection with litigation or with the policy itself; but of late years it has become more and more the custom for States to intervene, until there are now fourteen States where our policy forms are fixed by statute, and many others where special obligations or prohibitions are imposed upon the companies, of which the valued policy law is a notable example. It may interest you to read the account of its inception, whether wholly founded on fact or not, as presented at Chicago by Mr. I. W. Holman in 1879, "The Wisconsin Problem." Aside from laws bearing upon the contract, there is an ever-increasing mass of legislation in the shape of statutory requirements demanded of companies applying for admission into, or already doing business in, the several States of the Union, which promise to become burdensome in the extreme. For a clear understanding of the law of the land, federal and otherwise, one cannot do better than begin with the celebrated case of *Paul v. Virginia*.

The decision that insurance is not commerce has stood for thirty years, and, unless the supreme court of the United States reverses itself, there is small chance of so-called free trade between the States in fire insurance. There is almost more hope that retaliatory provisions will ultimately become so restrictive as to lead to some measure of co-operation among the leading States in the direction of uniform legislation, which would probably be better for the companies than federal supervision. The best source of information upon insurance legislation is the series of reports by the legislative committee of the National Board; and the new bills introduced at the annual sessions of the State legislatures are reviewed promptly by the *Weekly Underwriter*.

How the Foreign Fire Offices Fared.**LOW AVERAGE LOSS RATIO AND IMPROVED CONDITION GENERALLY.**

The twenty-five foreign companies reporting to the New York insurance department for 1896 and 1897 increased their American assets \$4,000,000 last year and gained \$2,700,000 in surplus; but as a whole their premiums fell off \$200,000. They fared exceedingly well, however. Their average loss ratio was only 51 per cent. of the premiums, and a handsome profit and increased values of securities added to their assets and increased their surplus.

There are now twenty-nine foreign offices reporting to the New York insurance department, presenting the following American totals, which are about a third of the total joint stock figures:

Assets	\$ 69,100,841
Surplus	30,598,799
Premiums	41,532,555
Losses	20,996,942
Receipts	43,677,786
Expenditures	35,539,658
Risks in force	6,165,364,680

These are virtually the American figures of all foreign fire offices. They do not support the view, entertained in some quarters, that the business of foreign companies in this country is increasing faster than the business of domestic companies.

We review the annual statements of the United States branches, as follows:

Aachen & Munich.

Assets	\$829,609
Surplus	556,529
Premiums	425,487

The new American branch of the Aachen & Munich made a big spurt on the road to volume of business, last year, the premiums advancing from \$136,640 to over \$425,000, and the amount at risk from \$14,000,000 to over \$35,000,000. The loss ratio was only 26 per cent. Over \$156,000 was added to the assets invested in this country. This strong German company now has a Pacific Coast department, under Manager Bertheau and Assistant Manager Folger.

Alliance.

Assets	\$838,300
Surplus	729,472
Premiums	159,007

The newly organized American branch of the Alliance of London made noteworthy gains last year, adding \$120,000 to its assets, \$88,000 to its surplus, and doubling the premiums. The loss ratio was only 28 per cent. The branch is particularly strong as to surplus, over seven-eighths of the assets being clear of liabilities. The new Pacific Coast manager, C. F. Mullins, increased the Coast department premiums from \$67,032 to \$130,113, and incurred a loss ratio of less than 38 per cent.

Atlas.

Assets	\$1,028,355
Surplus	564,717
Premiums	571,871

Over [half of the assets of the Atlas in this country are clear surplus. Gains were made last year in both assets and surplus. The year yielded a handsome balance to the good of about \$100,000. As usual, the loss ratio was moderate. The Pacific Coast department, under the management of Frank J. Devlin, assisted by T. H. Palache, increased its premiums both in California and on the Coast at large. Premiums advanced from \$137,631 to \$150,207. Losses incurred were only 38 per cent. thereof. The loss ratio for both California and the Coast was some 10 per cent. less than the general average.

British America.

Assets	\$1,268,315
Surplus	484,900
Premiums	1,041,070

Eleven million was added to the amount at risk in this country. Gains were also made in assets and surplus. Income exceeded outgo by \$135,000. Both loss and expense ratios were reduced. In the past few years this old Canadian company has doubled its business in the United States. Manager Lamey, who looks after the Coast department, increased its premiums in both California and outside Coast territory last year, and made money for the company.

Caledonian.

Assets	\$2,212,278
Surplus	1,032,759
Premiums	1,331,030

Reduced losses, reduced expense ratio, gain in surplus, and increased assets and premiums. This is a combination which implies prosperity, and we need not amplify the

statement. The Caledonian's American department is in a flourishing condition, with a big surplus. Its simple statement of resources certainly needs no embellishment of words nor any analysis. The Coast department, under L. B. Edwards, wrote over \$124,000 premiums last year.

Commercial Union.

Assets	\$3,679,437
Surplus	1,486,907
Premiums	2,295,357

Extraordinary gains in accumulations and surplus funds were made by the United States branch of the Commercial Union last year. Over \$324,000 added to surplus, and over \$250,000 added to assets. The losses were only 51 per cent. of the premiums. This company certainly shared liberally in the general prosperity of '97. Here on the Coast, likewise, under manager C. F. Mullins, whose losses incurred were only 32 per cent. of the \$228,317 of the premiums written by the Pacific department. His loss ratio was 15 per cent. less than the general average for both California and the whole Coast.

Hamburg-Bremen.

Assets	\$1,614,406
Surplus	702,178
Premiums	1,093,564

A very handsome showing is made by this prosperous German company in its American branch statement. Large gains were made in resources last year. The assets advanced \$121,000 and the surplus gained nearly \$100,000. Losses were only 48 per cent. of the premiums. We can safely say that the Hamburg-Bremen's statement this year is the best it has ever made. It is a flourishing company, and in the past few years has doubled its surplus and added several hundred thousand dollars to its American assets. The Coast department, under the management of Rudolph Herold, Jr., assisted by Harry C. Boyd, made a large gain in premium income last year, and incurred low loss ratios, less than the average, in both California and the outside territory.

Helvetia-Swiss.

Assets	\$843,678
Surplus	592,147
Premiums	346,047

About \$121,000 was added to the American branch assets last year, the surplus increased, and the premiums were more than doubled. Losses were less than 29 per cent. of the premiums. The reinsurance reserve was in-

creased over \$70,000. Syz & Co., the managers of the Pacific Coast department, increased their premiums in both California and outside territory, and incurred a loss ratio of only 27 per cent. This firm pursued a very conservative course in the recent rate war, and, it is evident, used excellent judgment in the retention of business which enables it to make so good a showing of profitable results this year.

Imperial.

Assets	\$1,910,167
Surplus	989,914
Premiums	1,127,312

Only a few foreign branches show gains in assets, surplus, amount at risk and premiums. The Imperial is one of them. The gains in the several departments of the statement were all of noteworthy degree. The gains of the Pacific department, under Manager Landers, which were considerable, contributed materially to the good showing made by the United States branch. Coast premiums advanced from \$117,177 to \$187,077. Losses were only 37 per cent. in California and 31.6 for the entire Coast.

Lancashire.

Assets	\$2,447,908
Surplus	714,552
Premiums	1,977,674

Gains in assets, reinsurance reserve and premiums—large gains, too. The resources of the American branch have made a long stride forward, to be stated in not less than three figures. The year was a prosperous one for the Lancashire. Losses were less than 49 per cent. of the premiums. Over a hundred thousand was added to the premiums. The Lancashire has a fine record in this country, and has a handsome surplus for the special protection of its American policyholders. Here on the Coast it does a large business under the management of Mann & Wilson, and has long since established an enduring reputation for the prompt and fair settlement of losses.

Lion.

Assets	\$926,106
Surplus	451,820
Premiums	586,501

Here is another company able to report large gains all along the line. Assets, reinsurance reserve, surplus, amount at risk and premium income made substantial gains and are all larger than ever before. Losses were less than 52 per cent. The outgo was very much less than the income. Smiling prosperity brightens the entire statement. Manager Landers very largely increased the business

of the Lion on this Coast, advancing the premiums from \$93,366 to \$123,240, and incurring only 38 per cent. losses.

Liverpool & London & Globe.

Assets	\$9,681,864
Surplus	4,486,097
Premiums	5,194,546

Exceedingly large figures these. The Liverpool & London & Globe stands at the head of the foreign companies in this country. It has the largest American assets, largest surplus, largest premium income, and leads all fire offices in the amount at risk. Last year's business was very profitable. Losses were light. Over \$342,000 was added to the assets. The surplus gained some \$400,000. The amount at risk was increased to \$869,425,527, a gain of nearly \$31,000,000. The Pacific department, which was established in 1852, commands a vast deal of first-class business, and is most worthily represented by Chas. D. Haven, the resident secretary, and C. Mason Kinne, the assistant secretary. Last year the Pacific department wrote \$172,810 California premiums, with a loss ratio of only 48 per cent., and wrote a total of \$284,837 Coast premiums, with a loss ratio of only 45 per cent. incurred.

London Assurance.

Assets	\$1,716,865
Surplus	840,466
Premiums	891,831

The United States branch of this old English fire office curtailed its operations last year, and is able to show a loss ratio of less than 42 per cent. as the result of the pruning process. Income was nearly a quarter-million more than expenditures. The London Assurance did an increased business in this field last year, with a low loss ratio, under the management of Geo. F. Grant.

London & Lancashire.

Assets	\$2,863,878
Surplus	1,080,355
Premiums	1,770,442

All larger than the corresponding figures for the previous year. The reinsurance reserve was also increased, and the amount at risk as well. Losses were less, though premiums were more. The loss ratio was only 43 per cent. Expenditures left a handsome balance of \$454,000 on the year's transactions. The affairs of the American branch were improved in every way. The Pacific department, of which Wm. Macdonald is manager and D. E. Miles is assistant manager, gained largely in premium receipts in both California and out-

side territory, and incurred only a moderate loss ratio.

Magdeburg.

Assets	\$831,729
Surplus	532,502
Premiums	509,939

The new general United States branch of this powerful German office makes a fine showing for its initial year, with premiums exceeding half a million and an expense ratio by no means large for preliminary work. The surplus is a handsome sum, exceedingly large in proportion to assets and liabilities. Gutte & Frank, managers of the Pacific Coast department, who pursued a very conservative course during the "recent unpleasantness," are now able to show a loss ratio (47 per cent.) considerably below the general average in California.

Manchester.

Assets	\$2,115,304
Surplus	797,330
Premiums	1,341,586

A loss ratio of only 48 per cent., with about the same premium income as in the preceding year, shows a prosperous state of affairs for the Manchester. Losses and expenses left a balance of nearly a quarter-million out of the year's income. On the Pacific Coast, where the company is represented by L. B. Edwards, the Manchester increased its premiums in both California and elsewhere in this field. It is one of the foreign offices having over \$200,000 Coast premiums.

North British & Mercantile.

Assets	\$4,380,505
Surplus	2,103,877
Premiums	2,447,018

This company, too, made gains in every department last year, increasing assets, reinsurance reserve, surplus, amount at risk, premiums and income, with decreased losses. The gains are large. To the assets, \$313,000 was added; to the surplus, \$220,000; to the premiums, nearly \$132,000. The loss ratio was only 49 per cent. The income was over \$420,000 more than the outgo. The Pacific department, of which Tom C. Grant is general agent and Wm. H. Bagley is assistant general agent makes, an excellent showing too. Premiums were increased both in California and in Coast territory outside, with a loss ratio in each much below the average.

Northern Assurance.

Assets	\$1,972,698
Surplus	889,227
Premiums	1,014,681

The Northern's losses in this country last year were light, and the total expenditures

left a handsome balance of about \$300,000 of the year's premium receipts. The surplus was increased somewhat. It has doubled in the past five years. The Northern is doing an increasing and profitable business in this field, in conjunction with the London, under the management of George F. Grant.

North German.

Assets	\$752,327
Surplus	346,638
Premiums	439,589

With losses only 47 per cent. of the premiums, it was not a difficult matter to clear a hundred thousand on the year's transactions. Surplus was increased from \$278,498 to \$346,638, and nearly \$154,000 was added to the assets of the United States branch. The premium reserve was increased from \$260,360 to \$303,444. The losses of the North German in this country have always been light. The Coast department, under the management of General Agent Walter Speyer, makes a good showing for the past year, with premium gains and low loss ratios. Losses incurred for the whole Coast were only 33 per cent. of the premiums.

Norwich Union.

Assets	\$2,414,882
Surplus	1,073,827
Premiums	1,460,306

Large gains were made in the financial condition of the United States branch of the Norwich Union. The assets are \$135,000 greater, and over \$200,000 was added to the surplus. The moderate loss ratio was the lowest since '90. The gross income was \$1,541,345 and the gross expenditures were only \$1,333,438, leaving a handsome balance indeed. The Pacific department makes a very fine showing for the year, having increased the risks written and the premium receipts in both California and outside districts. The gain in premiums was over 30 per cent. The loss ratio was only 47 per cent. W. H. Lowden is the manager and J. L. Fuller is the assistant manager of this thriving department.

Palatine.

Assets	\$2,873,481
Surplus	1,167,621
Premiums	2,040,740

The Palatine of Manchester shows an improved condition in its United States branch as well as in its home office statement. The assets were increased and the surplus made a gain of over \$238,000. Losses were only 55 per cent. of the premiums. The gross expenditures were \$180,000 less than the pre-

miums and \$240,000 less than the income, thus leaving a handsome balance to the good on the year's business in this country. Manager Laton increased the premiums of the Pacific Coast department a few thousand, and incurred a loss ratio of only 41 per cent. The Palatine leads all foreign companies in Coast premiums for 1897.

Phoenix Assurance.

Assets	\$3,065,528
Surplus	1,253,410
Premiums	2,024,870

The Phoenix of London "held its own" in premium income in the United States last year, with a small increase in reinsurance reserve and amount at risk. A very profitable business was done. Expenditures were \$1,799,409 while receipts were \$2,115,490. Assets were advanced \$240,000, and a still larger gain was made in surplus over all liabilities. Butler & Haldan have successfully represented the Phoenix of London in this field for many years, and in the nineteen years of their general agency they have incurred a loss ratio of less than 50 per cent.

Prussian National.

Assets	\$782,413
Surplus	363,626
Premiums	430,995

Gains in assets, in reinsurance reserve, in surplus and in amount at risk, with a reduced loss ratio and expenditures considerably less than the premiums. This, in brief, is the record of the United States branch of the Prussian National for 1897, under the management of Theo. W. Letton. A ten per cent. gain in surplus is noteworthy. The affairs of the company in this country have improved, under Manager Letton's care. The San Francisco agents, W. Loaiza & Co., have made good reports of their stewardship. Local agents report to Chicago, but the business outside of San Francisco in California is only nominal.

Royal.

Assets	\$7,400,300
Surplus	2,368,087
Premiums	4,597,356

The experience of the Royal in this country last year was favorable as usual, the gross income being largely in excess of the outgo. The loss ratio was only 55 per cent. The surplus was increased somewhat. It is now a third of the American assets. Last year's income was \$4,836,848; the outgo was \$4,087,204. The Pacific department, of which Rolla V. Watt is manager, increased its premiums in

both California and other Coast territory last year. Manager Watt's department ranks first in Coast premiums for 1897, among the various Coast general agencies.

Royal Exchange.

Assets	\$883,011
Surplus	569,725
Premiums	344,132

The United States branch of the Royal Exchange now operates in several States east of the Rockies, and has its headquarters in New York city, with Robert Dickson, late of San Francisco, as manager. The premium income has advanced from \$263,806 to \$344,132. Losses last year were only 36 per cent. of the premiums. Assets gained nearly \$100,000. On the Pacific Coast premiums were increased, and moderate losses were incurred in both California and outside. The Pacific West is now divided into two territories—the Pacific department, with headquarters in San Francisco, and the Northwest department, with headquarters in Portland. Frank W. Dickson is in charge of the former, and Edward Hall is in charge of the latter.

Scottish Union & National.

Assets	\$4,056,487
Surplus	1,908,124
Premiums	2,354,555

The gains in premiums were not large, but the gains in assets and surplus were extraordinary. Note the fact that gains were made in assets, reinsurance reserve, surplus and premiums, all. Nearly \$353,000 was added to the surplus last year, and the assets were increased a still larger sum. This company, under Manager Bennett, has increased its American premiums six-fold in the past ten years, and in the same period the United States branch assets have risen from a million and a half to over four millions. In the Pacific Coast field the company increased its premiums last year, and incurred a loss ratio less than the general moderate average. R. C. Medcraft is now the general agent.

Sun of London.

Assets	\$2,728,128
Surplus	1,086,970
Premiums	1,615,850

Gains in all departments last year. Surplus greater, assets more, reinsurance reserve increased, and premium income larger than for several years. The gross expenditures were \$205,000 less than the premiums. The Sun Insurance Office fared exceedingly well in this country last year. Its loss ratio was the lowest in many years, and the income over expenditures exceeded \$300,000. On the Pac-

ific Coast the Sun's premiums gained over \$50,000 last year. The amount written increased nearly \$3,000,000. Gains in amount written and premiums were made in California and elsewhere. W. J. Callingham is now the general agent, and Leslie A. Wright is the assistant general agent. The Pacific department embraces everything from Colorado west, including Wyoming, Alaska and Hawaii.

Svea.

Assets	\$639,711
Surplus	386,085
Premiums	317,702

The new United States branch of this Swedish office is doing very well. In 1896 the assets advanced from \$261,832 to \$413,721, and last year they gained \$226,000. The surplus gained \$144,000 last year, and a round \$100,000 was added to the premium income. On the Coast the Svea is represented by Edward Brown & Son, who increased its premiums in this field last year \$60,000, or nearly 60 per cent. They largely increased the amount written, and made similar gains in both California and the outside territory.

Thuringia.

Assets	\$539,446
Surplus	253,455
Premiums	366,031

The new American department of this German office has its headquarters in Chicago, and is under the management of F. G. Voss. The modest beginning of \$45,053 premiums, practically all from the Coast, was increased eight-fold in the first year of the new general department. The assets were increased \$231,000. The Pacific Coast department, under the management of Voss, Conrad & Co., makes a fine showing, with a premium income of \$125,331 in California and a total of \$220,394 for the Coast. Large gains were made for the Thuringia, and the business of the firm increased from \$173,721 fire premiums to \$234,977.

Transatlantic.

Assets	\$811,718
Surplus	345,629
Premiums	466,281

Last year's expenditures of the United States branch of the Transatlantic Fire left a good margin of the premium income. Considerable new business was written and the reinsurance reserve was increased \$64,000. The assets gained \$74,000. The surplus is a handsome sum, equal to about half of the assets. The Transatlantic is a strong company. The Pacific department is under the management of V. Carus Driffield, assisted by H. Danker.

Union of London.

Assets	\$1,535,756
Surplus	754,657
Premiums	1,075,340

Since the general American department of this country was organized, progress has been made every year in assets, amount at risk and premiums. The loss ratio has been uniformly low. Last year was a very favorable one. Large gains were made. Surplus gained \$101,000; reinsurance reserve, \$118,000; premiums, nearly \$161,000; assets, over \$324,000. The losses were only 40 per cent. of the premiums. Catton, Bell & Co., the general agents for the Coast, incurred a still lower percentage of losses on their business. Their loss-incurred ratio was only 36 per cent.

Western.

Assets	\$1,720,432
Surplus	603,950
Premiums	1,725,425

The United States branch of the Western of Toronto received more premiums, paid out less for losses, and its total expenditures left a balance of \$185,000 out of the year's premiums. Both assets and surplus increased in goodly sums, and something was added to the reinsurance reserve. The Western has its Western department headquarters in Denver. H. T. Lamey is manager, and under his care the company does a good business in the Pacific West.

The Phenix of Brooklyn.

Very large gains in resources were made by the Phenix Ins. Co. last year. The annual statement shows substantial additions to assets and net surplus, and greatly reduced losses with practically the same premium income. A loss outgo of 54 per cent. left \$1,450,000 for expenses, dividends, and a contribution to swell the big surplus.

The Phenix now has \$5,752,561 assets, a gain of nearly a fifth of a million. The company's net surplus is \$1,220,307, a gain of nearly \$300,000 in the year. Premium receipts last year were \$3,190,991. The Phenix, with its splendid record and its surplus of nearly two and a quarter millions, is in a position to command a large volume of good business. Since organized in 1853 it has paid over \$58,000,000 in losses.

Engene Harbeck, a well known and successful underwriter, is general agent of the Western department, with headquarters in Chicago.

Policyholders are Benefited by Boards or Compacts.

The objects of an association of fire underwriters, whether called Board or Union, are not understood by policyholders generally. Demagogues have designedly misled the general public, and even some otherwise well informed people have thoughtlessly credited the clamorous assertion that underwriters' associations are "odious" monopolies or trusts which arbitrarily fix extortionate rates after crushing out all competition. The impression also prevails in ignorant quarters that the only object and achievement of underwriters' boards is the establishment of high rates with ironclad rules and penalties. No conclusion could be more erroneous.

Boards of fire underwriters are incessantly employed in the inspection of risks, in suggesting improvements which secure reduction of rates, in urging the improvement of fire departments and water supplies, in drafting and supporting building laws, in the study of new hazards of new inventions, in the modification of rules and practices to adapt them to new mercantile and manufacturing conditions, in detecting and prosecuting incendiaries, in comparing experiences as to hazards, in gathering statistics, and in readjusting rates. This is a skeleton outline of what associated underwriters do for the community. The fixing of minimum rates based on the average experience is only a minor object of a board of underwriters.

Let us assume the abolition of the Board. Who would perform its useful work of inspections and of improvements in individual fire hazards and general fire protection? Certainly not isolated and unorganized fire underwriters. They would merely write at increasing rates based on the increasing hazard. Fire protection would inevitably deteriorate, building laws would not be enacted or would be enforced with much less rigor than as at present under the stimulation of the organized underwriters. There would be no general and systematic inspection of risks nor the consequent improvement thereof. The certain evil results of disorganization would be a large increase of fire losses and a corresponding increase of premium rates. The character of the indemnity itself might be unfavorably affected, and the business world be injured, as in the past, by incompetent and speculative underwriting.

The abolition of boards, by law at least, has never produced the reduction of rates, as expected and promised. A recent example is

afforded by Michigan, where rates have advanced considerably since the abolition of underwriters' boards by law. The explanation need not be sought far. Rates have advanced because rates are everywhere, law or no law, based on the average loss experiences. If legislatures could compel underwriters to charge less than they should, they would merely compel the companies to pay less to claimants than they should or go out of business.

Magdeburg Fire Insurance Company's Fifty-third Annual Statement.

A GREAT GERMAN FIRE OFFICE WITH
OVER EIGHT MILLION GROSS FIRE AS-
SETS—LARGE SURPLUS—PROSPERITY.

The old Madgeburg Fire Insurance Company presents to the readers of the *Coast Review* its fifty-third annual statement. It shows, as usual, an increase of assets and income, and proves its very solid standing in the world of fire underwriting.

The assets of the Magdeburg Fire are \$8,098,954, of which \$5,759,671 is surplus to policyholders. The surplus gained \$112,000. The premium reserve is \$1,800,976, a gain of \$114,000. Last year's premium income was \$7,226,051, which was an advance of nearly \$200,000. We are dealing with gross figures. The results of the year's business are highly creditable to the management, and strengthen the position of this great German corporation still further.

Since organized, the Magdeburg Fire has received \$162,945,021 in premiums and paid \$108,723,419 in losses.

The organization of the United States department is completed, and in nearly every State of the Union the Magdeburg is now engaged in honorable competition, with an aim to achieve in this country a proud position like that it has occupied in the old world for more than fifty years. Reference is made to this department in our review of foreign branches, elsewhere. The company had \$881,729, nearly all surplus, invested in this country at the beginning of the year.

The Magdeburg is under the management of the well known firm of Gutte &

Frank, in this field, where the company established a good record long before it extended its business east of the Rockies. Gutte & Frank also represent three marine offices as Coast managers, and do a large business in both fire and marine underwriting.

Insurance Men Should Support the New Charter.

That portion of the proposed charter for San Francisco relating to fire protection is so satisfactory to fire underwriters and to all public-spirited citizens, that we urge on insurance men generally the importance of immediate work in behalf of the new charter. San Francisco needs a new and up-to-date instrument of this nature, as proposed, but it is possible for the reactionary element of the voting population to again defeat the project. Insurance men generally, from the most prominent official to the most humble employe, are as a rule liberal and progressive in their views, and may be relied upon to support the charter. But the *Coast Review*, speaking for the interests of fire underwriters as well as for the city itself, asks San Francisco insurance men to solicit the votes and stimulate the interest of their friends.

Article IX. relates to the fire department. The mayor appoints the four fire commissioners, who must have had electoral rights for five years. No more than two fire commissioners shall be of one political party. Term of office, four years.

Firemen must be from 21 to 35 years old, citizens of San Francisco for five years past, and shall not be appointed nor removed for political reasons.

The department is to be full paid, as follows: Chief engineer, \$4,000 salary; assistant, \$3,000; second assistant, \$2,400; battalion chiefs, \$2,100; superintendent of engines, \$1,800; captains, \$1,440; lieutenants, \$1,200; enigneers, \$1,350; drivers, stokers, hosemen, etc., \$900 for first year. \$1,080 for second, and thereafter \$1,200; hydrantmen, \$1,080; draymen, \$900; hostlers, \$720; superintendent of horses, \$1,200; watchmen, \$900; fire boat pilots, \$1,200; fire-boat engineers, \$1,500; assist-

ants, \$1,440; firemen, \$900. These salaries should secure good men and faithful service.

The fire marshal and his assistant are to be appointed and paid by the Underwriters Fire Patrol.

Provision is made for a firemen relief fund, to be supported by an annual tax on property-owners—on the owners of unimproved property, as well as on the owners of buildings and goods.

A department of electricity is created by the proposed charter. It will have charge of the fire alarm and police telegraph and telephone system. This department is also charged with the duty of enforcing all the ordinances in regard to electrical wires and appliances in the city.

The chief engineer, assistant chiefs, battalion chiefs and the fire marshal will constitute a board of fire wardens, with power to inspect buildings, etc., and report to the board of public works, who are appointed by the mayor.

Underground Insurance at Los Angeles.

Down at Los Angeles the non-board element has been trying to write city property at cut rates, but the board company agents have succeeded in holding up rates and securing the interests of the city by writing most of its business in "fair" companies which pay losses in full. By "non-board element" we mean the professional rate-cutters, some of which furnish very shaky indemnity.

Out of \$240,000 insurance on the city schools of Los Angeles, \$105,000 on county property, and \$54,000 on the city hall, the non-board Northwestern National got only \$24,000. It was able to get this only by cutting the board rate 20 per cent. and by agreeing with the finance committee of the city and county that \$20,000 of it should be reinsured with four other companies. The names of these reinsurers neither the N. W. N. nor the finance committee will divulge. A fire in the city hall—not at all improbable—might disclose the names, however. The board rate on the city hall is 50 cents.

The Northwestern National bid 40 cents, and got \$24,000 of the \$54,000.

We congratulate the local agents of Los Angeles on this victory for fair rates and sound underwriting. They were able to hold nearly all this city business in fair companies, in the face of the competition of non-boarders, undergrounders and bogus companies. We compliment the decent locals of Los Angeles, and take off our hat to them.

Virginia F. & M. Ins. Co. an Undergrounder.

It appears, from the indisputable evidence of a bid to the city council of Los Angeles, that the Virginia Fire & Marine Insurance Co. of Richmond, Va., is doing business in southern California in defiance of the statutes of the State.

We do not imagine that it would be worth while to call the attention of Insurance Commissioner Clunie to this instance of law-breaking. Clunie is too intently engaged in annoying solvent companies, to spare any time for the discharge of the duties of his office. He has proved this, by allowing the late Bankers Alliance to continue its humbugging career, and by ignoring the notorious fact that a number of Eastern wildcat companies are doing a clandestine business in the State.

Eugene B. Stork, president of the "National Real Estate Exchange" at Los Angeles, whatever that may be, addressed the following communication to the city council:

LOS ANGELES, Cal., Nov. 28, 1898.

Finance Committee

City Council

City of Los Angeles, Cal.

Gentlemen—

We respectfully submit to your kind consideration the following offer: We will write the Insurance on the City Hall building &c in the Virginia Fire and Marine Insurance Company of Richmond Va for (75c) seventy five cents per thousand

The Virginia is an American Co organized 65 years ago

Respectfully Yours

EUGENE B STORK

Mr. Stork, in making this offer, violated the laws of the State. But it

was very thoughtful of him to inform the finance committee that a Virginia company "is an American company."

Supreme Court on Andrew J. Clunie, Now Insurance Commissioner.

A TRICKY LAWYER SCORED BY THE SUPREME COURT OF CALIFORNIA—WHY WAS HE NOT DISBARRED?

The following case of Sutliff v. Clunie, dealing with both Andrew J. and Thomas J. Clunie, was disposed of by the California supreme court in 1894, but for reasons with which the defendant may not be unfamiliar, the case does not appear in the California reports. We find it in 37 Pacific Reporter 224. The Clunie brothers' conduct in this case was so thoroughly disreputable that the reader must ask, with us, How happens it that the bar association did not disbar both offenders?

Here is the case in full. Read it, and marvel sorrowfully that the governor of California should appoint and re-appoint such a fellow as the defendant, Clunie, insurance commissioner. We contend that this case throws a flood of light on Clunie's "fight" against the insurance companies:

Report of the Case.

(Supreme Court of California. June 26, 1894.)

ASSIGNMENT FOR CREDITORS—ATTORNEY OF ASSIGNEE—PURCHASE OF CLAIMS BELOW PAR—PAYMENT BY ASSIGNEE—NOTICE.

1. Where an attorney, employed by an assignee to settle claims with the creditors, compromises the claims, giving his own notes in settlement at the rate of 50 cents on the dollar, with the understanding that the estate is to pay them when due, he cannot, on failure of the estate to do so, and after seeing that the estate is in fact solvent, have the claims assigned to a third person, who advanced to him the money to pay the notes, and collect the full amount of the claims for the benefit of such third person.

2. Where, in such case, the attorney is the law partner of the assignee, the latter will be chargeable with constructive notice of all the facts in the transaction coming to the knowledge of the former, so as to render him liable for payments in excess of what the attorney paid for the claims.

3. Where an assignee employs counsel to uphold the validity of an unjust claim against the estate, which he paid, he cannot, in case of defeat, charge the estate with the counsel fees.

Department 2. Appeal from superior court, city and county of San Francisco; C. W. Slack, Judge.

Action by Henry Sutliff against Andrew J. Clunie to compel an accounting by defendant as assignee. From a judgment denying defendant credits for certain items, he appeals. Affirmed.

James G. Maguire and Robert Y. Hayne, for appellant. Ben Morgan, for respondent.

Per Curiam. In this case defendant appeals from the final judgment, and from an order denying a motion for a new trial. Plaintiff also appeals from the final judgment. The two appeals are presented upon a single record, consisting of the judgment roll and a bill of exceptions prepared and filed by defendant in support of his motion for a new trial.

Henry Sutliff, the plaintiff herein, was a retail tobacconist in the city and county of San Francisco. On the 1st day of July, 1887, supposing himself to be insolvent, and unable to pay his debts, plaintiff consulted the law firm of Clunie, Young & Clunie, of which

the defendant A. J. Clunie,

was a member, and on the advice of Thomas J. Clunie, who was also a member of said law firm, and a brother of the defendant herein, he made and executed to the defendant an assignment of all his property, real and personal, for the benefit of his creditors, which assignment defendant accepted, filed a bond for the faithful performance of his duties as such assignee, upon which bond Thomas J. Clunie was a surety, and thereupon entered upon a discharge of his duties as such assignee. On the 20th day of July, 1887, plaintiff filed his inventory and schedule of his creditors, etc., as required by section 3461 of the Civil Code, in the office of the county recorder. This action was brought to compel an accounting by the defendant of his transactions as as-

signee, etc. An account was rendered by the defendant, and the main controversy on this appeal relates to the action of the court below in disallowing portions of two items in the account with which defendant had credited himself. Soon after the assignment, the plaintiff and Thomas J. Clunie, his attorney and friend, conceived the idea of settling with the creditors of plaintiff

at 50 cents on the dollar,

and with that object in view arranged with Rosenbaum Bros., who held a claim for \$5,558.80, and Joseph Brandenstein, who had a claim for \$9,156.27, to accept 50 cents on the dollar for their claims, to be paid by said Clunie, and the further sum of 10 cents on the dollar to be secured by plaintiff's notes, payable when the whole estate was settled. Clunie gave his note to Rosenbaum Bros. for 50 per cent. of their claim. Brandenstein was satisfied with the verbal promise of said Thomas J. Clunie. These agreements, the court finds, were made for the benefit of plaintiff, and, as is apparent, with the expectation that he would raise the funds to pay the demands. Defendant professed to have found a man who would advance sufficient funds to pay off all demands due from plaintiff if the latter would pay a bonus therefore of \$2,500. Plaintiff revolted at this, but offered to pay \$2,000, which was rejected. About this time plaintiff discovered that upon a settlement of his estate he would be able to pay all his creditors in full, and so represented to Rosenbaum Bros. and Brandenstein, and requested them to cancel the note and promise of

Thomas J. Clunie,

and assured them he would pay them dollar for dollar. They declined to do so. Clunie had taken assignments of these claims against plaintiff to his friends. Before Thomas J. Clunie paid either of the claims, it was arranged between plaintiff, defendant and Thomas J. Clunie that defendant should deposit with Thomas J. Clunie all the moneys of the estate as realized by defendant, which

was done from that time forward. Thomas J. Clunie paid his 50 per cent. obligation to Rosenbaum Bros. about July 30, 1887, and the like obligation to Brandenstein on or about August 26, 1887. Up to the date of payment to Brandenstein, Thomas J. Clunie had received and had in his hands funds of the estate, say \$6,000. Subsequently, and by January, 1888, there had come into the hands of said Thomas J. Clunie funds of said estate more than sufficient to pay both of said claims at their face value, viz., \$14,715, and thereupon the defendant authorized him to pay himself from said funds the whole face value of said two claims, which was done, and the amount thereof charged by defendant in his account against the estate of plaintiff. There are some other points bearing upon the case, but it is not deemed necessary to set them out here.

The court below decided the case upon the theory that Thomas J. Clunie was the agent of the defendant in the transaction of the business, and that, as defendant could not, in his fiduciary capacity, make a profit inuring to himself out of the administration of the trust estate, so he could not, by the appointment of an agent, accomplish a result which, as a principal, he was precluded from attaining. Appellant's counsel concede, in effect, that the settlement of the claims below their par value was at the date thereof in the interest of and for the benefit of the plaintiff. Their contention, however, is that plaintiff, having failed to raise the money to meet the obligations which Thomas J. Clunie had incurred on his behalf, the latter was at liberty to borrow the money of Turtin to meet his obligations, take an assignment of the claims to Turtin, or for his benefit, and to collect from the assignee the full face value thereof; and hence that the defendant was authorized to make such payment, and to charge plaintiff with the amount thereof. Thomas J. Clunie was a member of the law firm of Clunie, Young & Clunie, and was attorney for plaintiff. He knew, before he took an assignment in favor of Turtin, that the estate of

plaintiff was solvent, and able to pay in full all it owed. Under such circumstances *he had no equitable right* to purchase demands against his client at a reduced rate, and then charge the latter, or, what is the same thing, his estate, with the par value of the claims. When, under such circumstances, an attorney purchases a claim against his client at less than its face value, he cannot be permitted to make a profit thereby against the principal whose agent he is, and more especially where, as in this case, he has in his custody funds in which the client has a beneficial interest to an amount nearly equal to the amount paid out, with an almost certain prospect of receiving the balance in a short time. Thomas J. Clunie, was, it is true, the agent of the assignee, A. J. Clunie, who is defendant here. As such agent he received all the moneys of the estate, and paid its debts so far as they were paid. It is also true that this action is against A. J. Clunie, the assignee. But he was the law partner of Thomas J. Clunie, and as such is chargeable with constructive notice of all facts in relation to the transaction coming to the knowledge of his copartner. It is also quite apparent that he had actual notice of most of the facts, and whether we treat him simply as a principal authorizing his agent, Thomas J. Clunie, to pay himself in full from the funds of the estate, or as the copartner of Thomas J. Clunie, and hence as the attorney of the plaintiff, seems to make little difference. In either situation *he had no right*, as against plaintiff, to pay or authorize the payment to Thomas J. Clunie of a greater sum on account of the claims than the amount advanced by the latter on account thereof.

The claim of a counsel fee by defendant was properly denied. The main use which defendant appears to have had for counsel in the proceeding was to contest the two items in question, and, as the decision is against him, he is not entitled to counsel fees for setting up

an unjust claim

in his own behalf and against the estate.

The appeal by the plaintiff is, so far as it appears from the record, without merit. The judgment appealed from by the plaintiff and the defendant, and the order appealed from by the defendant, are affirmed.

Not Complimentary to the Northwestern National.

This Milwaukee company was unable to get any of the Los Angeles city business, except by cutting rates 20 per cent. Even then, the finance committee hesitated long before giving them a moiety of the city business. They made the agents "come up to every test" they could think of, in their inexperience, and also made the company agree to reinsure four-fifths of the small \$24,000 in companies satisfactory to the committee. To get this small line, under these humiliating circumstances, the Northwestern National cut rates and bent the pregnant hinges of the knee. To such a pass has this unpopular Milwaukee company come at last.

Look to your Reservoirs.

Recent stories of Spanish treachery remind us that a number of Spanish-born people live in California. We have no fear of mischief at the hands of our fellow-citizens of Spanish descent. They are loyal to the Republic, and sympathize with struggling Cuba. But it is possible that there are treacherous Spaniards partaking of our hospitality who may try to work us harm. What easier and more damaging thing could be done than to blow up water reservoirs and start fires simultaneously? The possibilities are appalling. The *Coast Review* therefore urges town authorities and water-companies to look after the reservoirs.

Companies paying small salaries withdrew from Kansas rather than report them in obedience to the demand of its jay commissioner. They refused as a matter of principle. An officer of a retiring company wrote to His Impudence: "While we have not the slightest objection to you personally having this information, we have very decided objections to having the information appear as a public document."

Principal American Life Insurance Companies' Annual Totals.

YEAR.	Companies	CONDITION.			BUSINESS.	
		Assets	Liabilities	Surplus	Income	Expenditu's
1860	17	\$ 24,115,687	\$ 17,159,873	\$ 6,955,814	\$ 5,998,144	\$ 2,908,936
1870	71	269,530,441	221,160,702	48,359,739	105,026,148	63,876,840
1880	34	428,332,871	355,805,939	72,526,932	77,403,445	66,317,859
1890	30	753,228,759	664,489,398	88,739,362	187,424,959	126,653,529
1891	29	819,402,852	723,045,945	96,356,907	201,931,425	135,792,048
1892	31	903,734,537	789,674,017	114,060,520	223,024,998	152,890,333
1893	32	971,857,224	855,308,038	116,549,186	236,683,265	166,540,314
1894	33	1,056,331,683	916,591,138	139,740,545	256,624,477	177,863,333
1895	35	1,142,419,926	982,609,752	159,750,174	266,897,202	185,772,902
1896	36	1,228,324,542	1,053,608,138	174,716,203	279,371,106	199,173,299
1897	35	1,334,051,344	1,148,249,330	185,802,015	301,268,179	205,866,393

YEAR	Companies	ACCOUNT WITH POLICYHOLDERS				
		Received from Premiums	Losses, Endowments and Annuities Paid.	Lapsed, Surrendered and Purchased Policies	Dividends to Policyholders.	Total Payments to Policyholder
1860	17	\$ 4,770,346	\$ 1,360,000	\$ 243,954	\$ 497,848	\$ 2,101,802
1870	71	90,298,266	19,522,712	9,616,988	15,809,557	44,919,257
1880	34	53,972,388	30,032,174	9,923,026	13,171,992	53,127,192
1890	30	149,553,949	58,608,615	13,827,225	14,271,500	86,707,340
1891	29	162,624,444	62,731,496	16,230,891	13,991,225	92,953,612
1892	31	180,608,156	72,576,866	15,658,759	14,386,195	102,621,820
1893	32	192,706,839	75,903,830	19,839,418	14,823,176	110,566,414
1894	33	205,132,044	78,313,162	23,164,107	14,577,455	116,054,724
1895	35	215,190,302	84,791,621	22,889,492	15,297,603	122,978,716
1896	36	223,714,320	90,768,307	26,368,039	17,083,168	134,219,514
1897	35	239,394,411	92,688,305	26,431,312	18,425,197	137,544,814

YEAR	Companies	POLICIES IN FORCE		POLICIES ISSUED		MISCELLANEOUS			
		No.	Insurance	No.	Amount of Insurance	Income from Investments, etc.	Taxes, Commissions and other Expenses	Capital	Dividends to Stockholders
1860	17	56,046	\$ 163,703,455	\$ 12,639	\$ 35,589,934	\$ 1,227,798	\$ 744,801	\$ 2,121,300	\$ 62,336
1870	71	747,807	2,023,884,955	237,180	587,863,236	14,727,882	18,349,431	10,519,484	578,152
1880	34	608,681	1,475,994,672	72,267	148,596,335	23,431,057	12,951,312	5,100,500	339,355
1890	30	1,272,895	3,542,955,751	285,797	880,711,283	37,871,009	37,871,009	5,099,550	329,407
1891	29	1,400,007	3,861,584,383	323,433	928,256,338	39,306,980	42,350,371	6,040,500	488,062
1892	31	1,534,241	4,201,619,793	348,580	947,804,283	42,416,841	49,665,728	7,407,700	602,782
1893	32	1,671,039	4,511,036,550	398,956	1,052,403,648	43,976,366	55,205,335	8,570,500	768,502
1894	33	1,780,307	4,657,583,046	396,843	985,520,033	51,492,433	61,073,545	8,970,500	735,062
1895	35	1,877,808	4,818,170,945	366,565	864,815,534	51,697,899	62,052,870	9,570,500	741,312
1896	36	1,975,747	4,967,576,418	350,106	796,124,326	55,658,786	64,160,731	9,810,500	793,052
1897	35	2,155,241	5,255,725,545	431,457	923,804,876	61,873,767	67,582,024	9,740,500	739,554

The following, it is said, appears in *Now and Then*, a copy of which we do not receive now and then:

Thérè is a bit of consolation for those insurance offices that do not get all the business they want, in Uncle Eben's saying: "De man what gits mor'n

his share o' mince pie is gwine ter git mor'n his share o' dispepsy."

Balaam's ass could not have made an insurance man of himself if he had talked for years; but an insurance man can make an ass of himself in five minutes' talk.

General Statistics of Life Insurance Companies.

No.	COMPANIES.	LOCATION.	Assets Jan. 1, 1898.	Assets Jan. 1, 1897.	Insurance in Force 1898.	Insurance in Force 1897.	Written in 1897.	Written in 1896.	Surplus.
1	Pacific Mutual Life	San Francisco	\$ 3,259,518	\$3,083,652	\$20,628,744	\$17,616,586	\$10,108,109	\$7,776,633	\$216,323
2	Alma Life	Hartford	47,581,967	45,557,372	150,691,808	145,635,941	21,770,825	22,322,048	7,439,269
3	Connecticut Mutual Life	Hartford	63,588,061	62,952,318	157,701,387	157,422,626	10,517,361	10,355,237	47,390,936
4	Covenant Mutual Life	St. Louis	453,371	437,270	8,392,279	6,047,220	6,410,000	4,126,691	51,914
5	Equitable Life	New York	235,910,686	215,456,136	73,624,962	915,102,070	156,855,693	127,691,684	50,543,175
6	Germania Life	New York	23,723,677	22,362,442	73,624,962	70,431,810	11,144,789	9,432,457	2,571,506
7	Home Life	New York	9,458,216	9,384,857	43,413,047	41,971,980	8,614,217	8,222,023	1,108,404
8	Manhattan Life	New York	14,916,582	14,400,373	56,156,466	57,690,441	8,282,693	9,379,017	1,225,188
9	Massachusetts Mutual Life	New York	20,312,647	18,546,959	100,045,660	102,867,061	20,145,944	20,156,550	1,758,263
10	Mutual Benefit Life	Springfield	63,624,437	60,742,985	233,313,829	231,556,168	34,143,186	30,569,633	4,802,223
11	Mutual Life	Newark	253,786,937	234,744,148	958,990,208	917,630,911	*140,632,461	*135,679,893	35,508,195
12	National Life	New York	14,829,992	13,542,864	76,663,080	72,471,731	13,873,466	13,611,204	1,820,166
13	New England Mutual Life	Boston	26,639,136	25,010,904	104,876,930	99,506,092	15,031,715	10,330,563	2,137,428
14	New York Life	New York	290,694,440	187,176,405	829,316,648	826,316,648	*123,812,865	*123,812,865	33,372,031
15	Northwestern Mutual Life	Milwaukee	90,375,536	92,633,603	845,984,225	845,984,225	37,337,055	37,337,055	22,490,443
16	Penn Mutual Life	Philadelphia	32,118,031	29,045,529	147,973,507	134,594,876	33,656,088	24,514,312	3,944,877
17	Phoenix Mutual Life	Hartford	11,055,127	10,655,169	46,021,069	42,219,841	11,770,989	9,280,439	624,329
18	Provident Savings Life	New York	2,294,616	2,042,260	81,884,308	80,174,683	25,417,208	21,530,978	429,924
19	Travelers	Hartford	22,869,994	17,531,556	91,882,210	88,313,267	12,302,740	12,302,740	3,722,635
20	Union Central Life	Cincinnati	18,705,130	16,304,769	100,517,344	93,868,215	14,507,249	30,187,212	2,615,964
21	Union Mutual Life	Portland, Me.	7,213,215	7,010,697	39,913,375	38,060,894	8,399,499	7,793,125	548,331
22	United States Life	New York	7,464,011	7,464,011	37,998,353	37,998,353	6,556,270	6,506,935	732,507
23	Washington Life	New York	14,501,110	13,943,452	50,362,235	48,813,597	9,342,953	8,664,472	588,923

* Paid for business. † Company's three per cent. interest Standard.

LIFE AND CASUALTY PARAGRAPHS.

CHICAGO GUARANTY FUND.—Assets, \$214,222, 1897; \$204,571, 1898; loss, nearly \$10,000. Income, \$159,346; expenditures, \$168,996. This does not show prosperity.

NATIONAL LIFE ASSOCIATION. This Hartford scheme shows the effects of discussion. Its insurance in force has fallen from \$32,305,590 to \$25,028,221, if the figures in *Rough Notes* are correct.

EMPIRE LIFE.—Income last year, \$96,056; outgo, \$98,223. Assets January 1, 1897, \$14,129; January 1, 1898, only \$11,963. It will puzzle the agents of this concern to show any wave of prosperity in these figures.

CHOSEN FRIENDS.—According to a table in *Rough Notes* this Indiana weakling issued \$2,473,000 of its so-called insurance last year and suffered a termination of \$5,515,500. The amount in force is \$36,905,000, a net loss of \$3,000,000 in the year.

AMERICAN LEGION OF HONOR.—Insurance in force, \$51,612,500, a net loss of over \$37,000,000 in one year. Whew! Over \$38,883,000 insurance was dropped and only \$607,000 was written. The remarkable decline of this fraternal insurance order is shown in the following compilation:

INSURANCE IN FORCE.

January 1, 1893	\$163,607,000
1894	159,473,000
1895	142,901,500
1896	136,263,000
1897	89,888,500
1898	51,612,500

Get from under! The death rate will soon kill the American Legion of Honor.

COVENANT MUTUAL OF GALESBURG.—We referred at length to the affairs of this association, in our April number. Though \$16,678,950 was written last year, \$17,537,250 was terminated. Insurance in force fell off about a million. We expect to see the association make a much poorer showing for the present year. The decline of the Covenant Mutual in recent years has been regular, as shown by the following comparative figures:

INSURANCE IN FORCE.

January 1, 1894	\$101,705,250
1895	98,440,375
1896	92,810,750
1897	87,420,375
1898	86,562,075

January 1, 1899, will show still less in force.

The Industrial Mutual Accident of Boston has failed.

Third Vice-President Perkins succeeds the late Mr. Welch as second vice-president of the New York Life.

The Mutual Life Association of Brooklyn has failed, leaving \$25,000 liabilities, and assets enough to pay ten cents on the dollar.

The Pacific Mutual's industrial business gained greatly last year, as shown in the following comparison: 1893—11,539 in number and \$2,367,723 in amount; 1897—20,546 in number and \$3,990,192 in amount. This is by far the largest percentage of increase reported by industrial companies.

Casualty companies reporting to the New York department—twenty-five—made a considerable gain in the value of their securities last year, showing in larger assets and surplus. But the gain in premiums was only \$300,000. Losses were a trifle less in amount, but expenses were reduced nearly \$700,000.

"To arouse greater interest" in the Knights of Pythias, some of the members have organized "The Infernal Order of Kings of Purgatory." Every member will be eligible to the title of Jack, if not King. "Purgatory" is suggestive of the unpleasant assessment experience preceding the final condemnation of this fraternal life insurance scheme.

Thirty-five life companies reporting to the New York department have \$1,334,081,344 assets, \$185,802,015 surplus, and \$239,394,411 premiums. They paid out \$205,806,393 in '97, of which \$137,500,000 went to policyholders. Dividends to policyholders were \$18,425,197; dividends to stockholders, \$739,554, or less than 8 per cent. on capital. Large gains were made generally.

NORTHWESTERN LIFE ASSURANCE Co.—So far as insurance in force figures are considered, this Chicago association does not show up well. While \$11,968,900 was written last year, \$23,765,500 was terminated. Insurance in force fell of \$17,000,000. Following are the figures for six years past:

INSURANCE IN FORCE.

January 1, 1893	\$155,908,000
1894	142,548,500
1895	141,154,500
1896	129,434,500
1897	115,272,000
1898	98,475,400

The Connecticut Indemnity has been "knocked through the ropes" by several State insurance departments.

The insured was burned beyond recognition, in a railway wreck, and the Northwestern Traveling Men's Association refuses to pay.

The Union Casualty & Surety of St. Louis was five years old last month. It is operated on conservative lines which make for safety.

The New England Mutual Life's new business for the first quarter is a large gain over same time last year. The net gain is \$1,672,000, the comparative gain is over \$1,000,000.

The Maryland Casualty Co. boasts that it "will not be coerced" by the liability compact, and that it is "agin" the trusts. The late Guarantors Finance trumpeted the same thing.

We suggest to Mr. Lambert, the Pennsylvania insurance commissioner, that it may be well to examine the affairs and condition of the Security Trust and Life Ins. Co. of his State. It is not long since one of its principal stockholders exhibited great anxiety to dispose of his stock, and there was a credible report of an offer at a low figure to the St. Paul impaired-life company. The failure of the Guarantors Finance should suffice as a warning against delay. The Security Trust has just abandoned the trust and banking branch. The company would not be harmed by the authoritative assurance of the insurance commissioner, that the abandonment was for the reasons alleged.

The Manhattan Life has recently made the following agency changes: At Cleveland, Ohio, J. C. & F. T. Zollinger succeed C. E. Tillinghast & Son, owing to the election of the senior member of the latter firm to the office of vice-president of the Provident Savings Life and his consequent retirement from the agency; S. I. Allard replaces the late S. E. Mulford as manager of the Northwest Pacific department with headquarters at Portland, Ore., while McCormick, Cook & Co., of Salt Lake City, are made managers for Utah and eastern Idaho, formerly included in that department; A. A. Green, Jr., succeeds Day & Stewart as manager for Texas, with headquarters at Dallas; Benton & Bear, are appointed at Williamsport, Pa.; J. E. Brosnahan becomes State agent for Vermont, and Dilworth & Fowler are appointed managers for western Pennsylvania, with headquarters at Pittsburg.

Atlas Assurance Company.

NINETIETH YEAR—GAINS IN ASSETS, SURPLUS AND PREMIUMS—LOW LOSS RATIO AND GENERAL PROSPERITY.

Another prosperous year has been added to the good record of the old Atlas Assurance Company of London. Over \$600,000 was added to the assets, and the surplus was increased nearly a hundred thousand. The fire losses were only 50 per cent. of the fire premiums. Expenditures in the fire department, including increased dividends to stockholders, left a balance of over \$200,000 out of the income.

The total assets of the Atlas now aggregate \$11,435,148. The total liabilities, including capital, leave a net surplus of \$1,398,524. and a surplus as regards policyholders of \$2,118,524. This large sum is all subject to the claims of the holders of Atlas fire policies, and it therefore constitutes splendid security.

The United States branch of the Atlas is in a flourishing condition, with over a million assets invested in this country. The clear surplus is the handsome sum of \$571,871. The American department is young, but already it makes an excellent showing.

The Pacific Coast department, under the management of Frank J. Devlin, reports a gain in premiums, and an extraordinarily low loss ratio. The business of the Atlas in this field is increasing in California and in outside territory, and the yearly results are very creditable to the Coast management.

American Accident Insurance not Originated by any Existing Company.

[From the *Post Magazine*, London.]

When will journalists make a virtuous practice of patiently reading up the back numbers of their own publications? In our issue of the 19th ult., we quoted our American contemporary, *The Insurance Monitor*, to the effect that "the whole history of accident insurance in America, and casualty insurance of all kinds, hinged on the chance purchase of a railway accident ticket by President Batterson, while traveling to Liverpool from Leamington in 1864." A closer examination of the

memorandum attached to the facsimile of the ticket in question, skillfully reproduced in the same issue of the *Monitor*, shows, however, that it was issued in 1859. According to Fowler ("History of Insurance in Philadelphia," p. 843) Mr. Batterson's Travelers began business on April 1st, 1864, and "inaugurated accident insurance as a practicability in the United States." This is undoubtedly the case, as far as producing a *permanently workable*, safe and sound scheme was concerned. But, years before the Leamington pasteboard slip fructified at Hartford, tentative variations of the English "accident" seedling had cropped up in the United States. The *Post Magazine* of 11th January, 1851, contains under the heading of "Assurance in the United States," the following paragraph: "Assurance against railroad or steamboat accidents is also, we understand, acted upon very extensively. Instead of the tickets issued at our own railway stations, a miniature policy is made out in due form. It is endorsed on the back to John Rhynas, 4 o'clock P. M., October 25th, 1850," to remain in force for 24 hours, premium 15 cents. Annexed is a copy of the policy, both as to form and magnitude:

FRANKLIN HEALTH ASSURANCE COMPANY,

Of Massachusetts. Capital 50,000 dollars.

Especially Empowered to insure against accidents.

This policy of Assurance witnesseth that, in consideration of fifteen cents, paid therefor, the *Franklin Health Assurance Company* do assure the party, whose name with the time of purchase and delivery is endorsed hereon, for the term of 24 hours, from and after the date so endorsed, and promise to pay to the said party, or to the legal representatives of said party, the sum of *Two hundred dollars*, provided the said party shall, during the continuance of this policy, receive any bodily injury in consequence of an accident by a railroad or steamboat, and thereby be detained for the term of *ten days*; or if by such accident, caused by a railroad or steamboat, the said party shall be totally disabled from attending to any business for the term of two months next succeeding such accident and injury, this Company hereby agree and promise to pay, in lieu of the above named sum, the sum of *Four hundred dollars*, payment to be made within thirty days after notice and proof are given to the Company. No. 62. Boston, July 1st, 1850.

(Signed) STEP. BATES, *Secretary*.

This policy insures *Travellers only*, and not persons employed on the road.

A Spanish editor challenges Perkins of the *New York Life*, and offers to meet him half way on French soil.

Resignation of General Agent Arthur E. Magill

Though the event occurred in the previous month, April contained a surprise for Coast underwriters, in the announcement of the resignation of General Agent Arthur E. Magill of the Home and Phoenix. The gentleman's most intimate friends, however, have long been aware of the fact that he contemplated retiring from the business at an early date. The companies accepted with reluctance a resignation which was without reservation, and arranged for an amicable separation in this field and for the appointment of new representatives.

San Francisco underwriters received the announcement of General Agent Magill's retirement with sincere expressions of regret, and a hope that he might be persuaded to reconsider the matter. As an underwriter Mr. Magill has always held the high respect of his fellow-underwriters, and as member of any of the several associations he has had their unreserved confidence as being loyal to the very letter of every obligation.

Capt. Magill is a native of Canada, but was reared in this country. At the age of 19 he enlisted in the Union Army, and served with credit four years in the 14th Michigan Infantry. He was mustered out with the rank of captain, at the close of the war.

Mr. Magill's insurance experience began when he was only sixteen years old, as a clerk in the office of his father, M. Magill, in Cincinnati. Mr. Magill, Sr., was manager of the Western and Southern department of the Phoenix Insurance Company of Hartford. With the exception of the war period, Mr. Magill has been continuously in the service of the Phoenix since 1858. Since 1858 he has also been continuously in the service of the Home of New York, a period of thirty years. These many years of able and faithful work have certainly earned for the gentleman the right to take a rest.

California at the close of the war was an inviting field for an energetic and ambitious young man, and in September, 1865, Mr. Magill came here and resumed

insurance work. In February, 1874, he was appointed general agent of the Pacific Coast department of the Home and Phoenix, and engaged actively in Board work. For several years he was chairman of the executive committee, and was elected the first president of the first Coast compact—the Portland Compact Association. He was also elected president of the Compact Association of the Northwest. In May, 1885, he was elected vice-president of the Pacific Insurance Union, and two years later he was made president. Mr. Magill was president of the Union for seven consecutive years, being annually re-elected. These are facts which show that Mr. Magill has led a very busy busy life, and has given a great deal of time and talent to the service of the best interests of Pacific Coast fire underwriting.

It is to be hoped—though we fear it is idle to entertain such a hope—that, after a brief period of rest and recreation, Capt. Magill may be persuaded to re-engage in the business in this field. Sound underwriting interests must always need the counsel and conservative influence and example of such underwriters as Arthur Magill.

Mr. Magill retires with the hearty good wishes of all his fellow underwriters and of the large corps of special and local agents, with whom he has had pleasant business relations for so many years.

London Guarantee & Accident.

The rumor to the effect that the London Guarantee & Accident contemplated withdrawing from the Pacific States and Territories probably grew out of the fact that the company had closed its Utah agency and withdrawn from that field. The company will continue active operations in all the Pacific States and Territories. Edw. C. Landers of this city has been appointed general agent, and the secretary of the company is now in this country and will possibly visit the Coast, when arrangements will be made for the further extension of the business in this field.

Separation of the Home and Phoenix on the Coast.

The relations of the Home and Phoenix on the Pacific Coast have been unique in fire insurance. These companies have operated a joint general agency in San Francisco since September, 1868. No similar association, as we can readily believe, equals this in duration. When it is reflected that the two companies have somewhat different methods and adverse views as to the conduct of business in not a few important respects, the wonder grows that any man could have succeeded, in all these years, of so harmonizing their differences that a joint general agency could have been maintained without interruption.

It has required rare judgment and discretion on the part of the general agent to harmonize these natural differences, and to so manage the affairs of the two companies as to satisfy the managers of both. Capt. Magill has been equal to this extraordinary and most delicate task. He has satisfied both companies, and has secured harmonious action under the most embarrassing conditions and divergent views. He can retire from the business with the reflection that he has succeeded where most managers would have failed, and for nearly a quarter-century has preserved the harmonious joint relations of two large and ambitious companies.

The union of the Phoenix of Hartford and the Home of New York in one general agency in this field has been terminated, as the result of the retirement of General Agent A. E. Magill, after nearly thirty years of joint business. President Skilton of the Phoenix and Vice-President Snow of the Home are in San Francisco, attending to the readjustment of their companies' affairs under new and separate managements. As related elsewhere, Herbert Folger has been appointed manager of the Pacific department of the Phoenix, which will retain its present quarters in the Mutual Life building. The Home will have offices at 210 Sansome street, with Hugh Craig as metropolitan manager and Harry Roff as gen-

eral agent for California and Nevada. Its field in the four Northwestern States will be under charge of J. D. Coleman, general agent, with headquarters at Portland, Ore.

The two companies separate in the most amicable fashion, with a mutually satisfactory division of business and representation. The Phoenix will maintain its department organization, with all Coast agents reporting to San Francisco as heretofore. The Home has discontinued its managerial system, and in accordance with its practice elsewhere will have its local agents report to New York. The general agents, however, will have full charge of the agency work and appointments, and will attend to the adjustment and payment of losses.

The Phoenix will remain a Board company. The Home, though outside of the Board, will not, as we understand, sell any of its policies at less than current rates for first-class insurance. The separation of these companies is, of course, under the circumstances, to be regretted. We may congratulate General Agent Magill, however, on the rest he is able and has resolved to give himself; and we may also assure our readers that this change does not involve any menace to either good practices or fair rates on the Coast. Both these strong companies are ably managed and are conservative from principle and tradition.

Cancellation.

Plaintiff was insured in a company which informed its agent that it desired to cancel the policy. The agent, being agent for defendant's company also, marked the policy canceled on the policy register, signed a policy of defendant in blank, and told his clerk to finish it. The clerk charged the original company with the unearned premium, credited defendant with a year's premium, and charged plaintiff with the difference, of all of which the plaintiff had no knowledge. Before the policy in defendant's company was completed a fire occurred, and plaintiff, being informed of the facts, brought suit against defendant. Held, that defendant was not liable.—*Hartford Fire Ins. Co. v. McKenzie*, 70 Ill. App. 615.

National Board Meeting.

The annual session of the National Board of Fire Underwriters was held last week, and officers for the ensuing year were elected as follows:

President, E. C. Irvin, Fire Association, Philadelphia.

Vice-President, Geo. P. Sheldon, Phenix, Brooklyn.

Secretary, Robt. P. Beath; treasurer, F. W. Arnold.

Among the new members of the executive committee are James Nichols of the National Fire and A. W. Damon of the Springfield Fire.

Mr. Chase offered a resolution that the executive committee be empowered to undertake the defence of any suit where the maintenance of a principle of importance to the membership is involved. On motion, action was postponed until the next meeting in 1899. We fancy it would not be difficult to guess the authorship of that motion to postpone.

President Eaton's address contained some very valuable statistics. We add some of them and produce these American totals of fire companies reporting to the New York insurance department:

Premiums	\$2,522,531,861
Losses	1,462,454,481
Loss ratio	58 per cent.
Unearned premiums and unpaid losses, etc.	\$ 117,351,018
Losses and unearned prem's, etc.	1,579,805,499
Real loss ratio (62.6)	63 per cent.
Expenses (34.7 per cent.)	\$ 875,556,590
Losses and expenses	2,455,362,089
Underwriting profit (2.4 per ct.)	67,169,772

Our War Bulletins.

Bombardment insurance has been legalized in Massachusetts.

A Chicago agency offers to re-employ any of its clerks who go to the war, and pay their salaries meantime.

There has been daily a beautiful display of flags in San Francisco, especially in the insurance quarter, since the news from Manila bay.

The bombardment scare in Boston indirectly caused a \$300,000 loss. Wool merchants had stored a large quantity of wool in a remote vacant mill, to save bombardment insurance charges. The mill burned.

Insurance companies respond patriotically to the war tax.

The German of Freeport, Ill., will continue to pay the salaries of employes who enlist, and give them their positions upon return. Now, Smith, the country is waiting to hear from you. But it will wait in vain.

Not the least of the benefits of war is the tax which prevents the sale of a box of deadly cigarettes for five cents. By the way, over half of the rejections of recruits are declared to be the result of cigarette-smoking.

Our erratic Louisville contemporary intimates that while it has no sectional feeling whatever, the New Englanders are cowards because they want Boston protected from the "ferocious invader, whose ships cannot be dragged across the Atlantic by steel hawsers." It is a long time since the fool-killer visited Louisville.

Assessment associations and railroad companies being in politics escape the direct war tax. If they were patriotic, like the legitimate insurance companies, they would not try to escape it. We mention the matter to remind insurance companies that "politics is business," and it may pay them in a legitimate way, often, to have it known that they too have a political pull.

The *Fortnightly Review* proved by "naval Kriegspiel" that Dewey was bound to be licked at Manila. The *Westminster Review* declared that the Americans would be thrashed at first, and that Tammany would then assume charge at Washington. The ultimate results of the war are to be a breaking of the Union into several pieces. We quote these solemn monthlies to illustrate how utterly ridiculous some of our British cousins can be at times, in discussing American affairs. Heaven fend us! is it possible that we are ever as silly when we discuss British affairs?

The *Post Magazine* of London kindly says: The "devildoms of Spain" have not yet become such things of the past that we can view without emotion our kinsmen beyond the seas entering into a supreme conflict with a power whose cruelties and oppressions have always excited in those of our race and blood a worthy and a sturdy abhorrence. Our American friends, therefore, may rest assured that the action of the Liverpool & London & Globe, in deciding to keep open the places of those members of its American staff who may be called to the front, and to pay their salaries all the time they may be engaged at the seat of war, is but a reflex of the wave of general and hearty sympathy with the United States which at present is passing over this country.

DELAY.—The *May Coast Review* has been delayed somewhat by a boiler explosion in our power-house.

The *April Monitor* is specially interesting. It is a "Washington number."

Herbert Folger.

—
MANAGER OF THE PACIFIC DEPARTMENT
OF THE PHOENIX OF HARTFORD.

Our readers generally have some sort of an acquaintance with Mr. Folger, whose picture is reproduced in this issue of the *Coast Review*. The gentleman has written a number of valuable papers for fire underwriters' associations — papers that have been widely quoted. Mr. Folger is not only a practical underwriter, but is a thorough student of insurance literature as well.

President Skilton came to the Coast with a number of names strongly recommended for the position of manager for the Phoenix in this field. It is therefore a special compliment to Mr. Folger that of all the available good material he has been selected for the position.

Mr. Folger is San Francisco born and reared. In 1881 he began insurance work as a clerk in the office of the New Zealand Ins. Co. In 1888 he was appointed manager for that company in the Northwest, with headquarters in Portland. There he soon became prominently identified with board work, and was elected president of the Portland Board of Fire underwriters. The duties of this office were discharged with tact and energy by Mr. Folger, during the trying times of the rate war. At the convention of local agents of the Northwest, which resulted in the organization of the Northwest Insurance Association, Mr. Folger presided, and was elected a member of the executive committee.

In January, 1897, Mr. Folger was appointed assistant manager of the Pacific department of the Aachen & Munich Fire Ins. Co. This position he now resigns to accept the Pacific Coast management of the Phoenix Insurance Company. Mr. Folger's many friends join us in congratulating him on his promotion. The Phoenix is a fine company and is deservedly popular on the Coast, and we do not hesitate to predict excellent results for it under the new management.

Fire Insurance Rates in California.

Premium rates in California are based on the general experience in a given class of hazards over a large area for a sufficient length of time. They are less than the rates elsewhere for similar hazards.

Are the rates in California too high? The commissioner of insurance, who really knows nothing of the matter, assumes that they are too high, because the companies as a whole have made money in the State. After the payment of losses and about 40 per cent. of the premiums for expenses and taxes, the underwriters have been able to make an average profit of 10 per cent. after setting aside the required amount reserved for unexpired risks. This is not a large profit for the hazard of capital in a possible great conflagration.

While it is true that the companies as a whole have made money in California, it is equally true that a number of companies have lost money in the State. The latter not only lost money, but hazarded much or all of their capital by writing in cities which were liable to total destruction.

The commissioner's pretension that California has been a veritable Klondike for fire underwriters is easily disproved by the unfortunate experience of nearly all California fire insurance companies. Of the twenty-five or thirty companies organized in the State, only two (virtually one) survive. If there is so much money to be made in California fire underwriting, why do not local capitalists organize new companies? Why doesn't the commissioner's assertion prompt them to immediately engage in so profitable a business? The failure of a long string of California companies furnishes the answer.

It may be said that the California companies have failed because they transacted business in the East. Excepting those companies which were bankrupted by the great Chicago fire, this is not true. But it is true that every California company which confined its business to this State, or to California and the equally profitable outside Coast territory, lost money heavily and failed. No more satisfactory refutation of the commissioner's contention than this can be required. The California companies could not make money in their own State where rates are said to be extravagantly high.

The business of fire insurance in this State is not a monopoly. No franchises are granted the companies. Anybody can start a stock or mutual company. It is not necessary to join a board or union. There are companies outside



HERBERT FOLGER,
Manager Pacific Department
PHENIX INSURANCE COMPANY, of Hartford.

of the board, and there are many companies in the East and in Europe which are not doing business here. He must be a simpleton who thinks for one moment that these companies would not establish agencies in California if rates were exorbitantly high as alleged by Mr. Clunie.

The companies have been fortunate in California because they have been very fortunate in San Francisco. The big fires which have been so destructive in Eastern cities, have not occurred in San Francisco, as underwriters have expected and still fear. Nowhere else in the State does the experience of the past warrant any reduction of rates. There are large areas in California where for many years the business of fire underwriting has been conducted without profit or at an actual loss.

Life Legal Briefs.

One who takes an assignment of a policy of life insurance from a prior assignee thereof takes only the interest of his assignor, and subject to any latent equity in favor of third persons. 48 N. Y. Sup. 431.

Where a statement of assured in the application, that he was in sound health, is made a warranty, it is not necessary to constitute a breach, that the assured should have been at the time of unsound health to such an extent that he must have realized it. 48 N. Y. Sup. 753.

The intentional omission, by an applicant for life insurance, to disclose to the company every fact material to the risk (especially the fact of a sudden or dangerous illness) which comes to his knowledge at any time before the contract is finally closed, even though subsequent to his original representations and medical examination, is a fraud which vitiates the contract. 83 Fed. Rep. 631.

Assessment Legal Briefs.

When a member of a beneficial association constitutes himself beneficiary in his certificate, the proceeds of the certificate will go to his personal representative, unless there shall have been an assignment thereof by said member. 48 N. E. Rep. (Mass.) 1091.

One entitled under a certificate of insurance to "the net proceeds of one full assessment at a schedule of rates upon all members in good standing at the date of said death, to an amount not exceeding \$2,500," is not entitled to interest, though the claim is contested;

there being no provision in the schedule for assessing for interest. 73 N. W. Rep. (Ia) 485.

In an action on a certificate of a beneficial association, the payment of which was refused on the ground that deceased had been suspended for non-payment of a certain assessment, it appeared that the first assessment charged to him was paid by his advance payment on admission into the society, and that each succeeding assessment, including that in controversy, was paid from the proceeds of the one next preceeding. *Held*, that the defense of forfeiture was not sustained, as deceased had not been legally suspended. 48 N. Y. Sup. 649.

Policy called for an annual expense premium, and also for mortuary premiums, and provided that it should be renewed from month to month upon condition that the assured paid said mortuary premiums within thirty days after notice, the policy to become null and void upon any omission to make any payment thus required. The assured paid the annual expense premium up to March 30, 1895, and all mortuary premiums up to January 30, 1895, and died February 19, 1895, without having paid a mortuary premium called January 9th, and due February 9th. *Held*, that the payments made did not continue the policy through February, and that, upon the failure to pay the mortuary premium by February 9th, the policy lapsed. 48 N. Y. Sup. 463.

Where associations or corporations are organized for mutual benefit and relief, the terms of their by-laws must be interpreted liberally and reasonably; and, when they are susceptible of two constructions, that must be adopted which will the more nearly carry out the benign object of the association, and sustain the claim of the insured. Where a by-law provided "any member, while engaged in any lawful avocation, receiving bodily injuries which alone shall cause total and permanent loss of eyesight, shall receive the full amount of his policy," is afterward amended so that the expression "total and permanent loss of eyesight" was made to read "total and permanent loss of one or both eyes," one who was injured before the amendment resulting in the permanent loss of one eye after the amendment, is entitled to the full amount of his policy. 51 Pac. Rep. (Utah) 259.

The *Argus* is now the brightest and most valuable of the Chicago insurance fortnightlies.

Clunie, Brokerage and Rebating.

The commissioner makes a ridiculous assault on the brokerage system. In his superior wisdom he has discovered a way to settle the brokerage problem which has vainly engaged the best thought of skillful underwriters everywhere since the beginnings of modern fire underwriting. Mr. Clunie's simple device is for the companies to allow the policyholder a commission equal to that allowed the broker. It is just possible that the first fire underwriters thought of this, but found, as in marine underwriting, that the effect is merely to pay the broker two commissions and to increase the rates precisely the commission allowed the policyholder.

Brokers are restricted to San Francisco. No brokerage is allowed anywhere else. The commissioner confuses brokers and local agents, but they are very different. The broker is virtually a wholesale dealer in insurance risks. He offers his business in large lots, and gets in consequence what is equivalent to a reduced rate. The local agent, on the other hand, represents his company in various ways, independently of the mere placing of risks, and is paid for such services.

The prohibition of rebating is a measure calculated to prevent the raising of rates and to secure equitable treatment for the small as well as for the large policyholder. The rebate is not offered the poor man whose small policy does not make any concession worth the time and trouble of the broker or local agent. The rebates are given the larger policyholders, and the consequent control of large lines enables the rebater to dictate terms to the companies. Increased brokerages or commissions follow, and can be finally met only by increased rates. The poor man is the loser by rebating practices, and in defending rebates the commissioner is defending the rich and opposing the poor.

Wants to Make Rates.

Mr. Clunie asks to be allowed a voice in the making of rates. This preposterous demand, of course, could not be entertained for a moment by a body of experienced men invested with the large responsibilities which managers and general agents bear. In the spirit of conciliation which has characterized the attitude of the underwriters in dealing with this abnormal official, they intimated that it might be possible to reduce rates somewhat in San Francisco. But the commissioner instantly rejected this liberal proposition, and

declared that nothing short of a general reduction over the entire State would meet with his royal approval. Such a reduction would of course be impossible, excepting temporarily, as in a rate war when temporary sacrifices are made for assumed permanent advantages.

Fire Legal Briefs.

Insurance on property effected by the owner, is not affected by other insurance thereon, effected by another, and not consented to or known of by the owner. 38 At. Rep. (Pa.) 1081.

A mortgagee, whose mortgage exceeds the loss, may sue on a policy which provides that loss, if any, shall be paid to him as his interest may appear, and do so in his own name. 51 Pac. Rep. (Utah) 255.

Because a complaint in criminal proceedings against one for burning his barn was made by an officer of an insurance company, the company is not estopped from setting up the same charge as a defence in an action by such owner for the insurance, though he was discharged on the examination in the criminal proceedings. 73 N. W. Rep. (Mich.) 372.

Where there is undisputed evidence of the completion of a contract of insurance, the burden of proving its cancellation in an action thereon, is on the company if it claims it, and where an insurance policy is completed, and the insured notified thereof, it is not necessary that it should have been actually delivered to him, in order to sustain an action on it. 22 So. Rep. (Ala.) 903.

Where the policy requires the insured in the event of a loss to produce his books and invoices for examination, he must do so, or he cannot recover; and the fact that he kept no books is not a legal avoidance of the condition. His failure to keep books of account showing sales and purchases of stock and to keep them in a fire proof safe as provided by the policy is a defence to an action on the policy. 48 N. W. Rep. (Ill.) 830.

A policy "on the property of insured or any member of the household" provided in case of loss for a statement "signed and sworn to by the insured." After a loss of such property a proof was sent but was not properly sworn to by the insured. The company notified insured of this defect, and also insisted that each member of the household swear to the schedule of his property, and added that it

thereby rejected the proofs of loss sent in; but the supreme court, trial term, Kings county, New York (48 N. Y. Sup. 821), held that this requirement, differing from the one contained in the policy, dispensed with the provisions of the policy for proofs of loss.

Judge McGraw on the Constitutionality of Anti-Compact Legislation.

Several circumstances concur in making timely the publication of the following abridgement of a brief by the well known San Francisco attorney, E. W. McGraw, on the constitutionality of anti-compact legislation. It was written some years ago, but subsequent court decisions only confirm Mr. McGraw's views of the law. We have been kindly permitted to make this abstract of the brief, which we print as peculiarly timely, on account of the action of the insurance commissioner and the nature of his defence in the injunction cases in the United States district court:

An underwriters' compact is conducive to the solvency of insurers. It provides for the best interests of the insured by securing to them, so far as it is possible to do by a mere agreement, a certainty of the payment of losses which they may incur; and by furnishing a reasonable assurance of the return of an adequate profit on investments, it invites and encourages the investment of new capital in the business of insurance. A law to abolish such a compact is a law discouraging competition on the part of new capital; provocative of insolvency on the part of those already engaged in the business, and deleterious alike to the best interests of insurer and insured. The law seeks to annihilate a compact the objects of which are not only legitimate but which commend themselves to the business and moral sense of legislatures and individuals.

The question then is whether an act of the legislature for the suppression of compacts on the part of a certain class of corporations, which compacts are legitimate, and are formed for objects vital to the pecuniary well being of such corporations, and are promotive of the security of the general public dealing with such corporations, is subject to constitutional or other objections which will defeat it.

Corporations are artificial persons. Their existence depends on the laws of the State or Nation under which they derive their being.

A corporation which is indebted for its existence to the laws can not do business in a foreign State except by the comity or by virtue of the express laws of such State. The right of absolute exclusion implies the right to impose conditions, arbitrary and unreasonable perhaps, but invalid only as they infringe the constitution of the State or Nation.

When the Michigan anti-compact law was passed there was some talk of fighting it. I think that in the general interest of insurance companies it is a matter of regret that such fight was not made. After a careful examination of all the authorities, it seemed to me at that time that the principle of the anti-compact law of Michigan was in violation of the fourteenth amendment of the Constitution of the United States.

I still adhere to the opinion I then formed. It seems to me to be fully supported by numerous decisions. But since the passage of the Michigan act two decisions have been rendered by the supreme court of the United States adverse to the opinions which I did at that time and still do (notwithstanding such decisions) entertain.

The fourteenth amendment reads as follows: "Nor shall any State deprive any person of life, liberty or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the law." The civil rights bill passed to carry into effect the provisions of the fourteenth amendment contains the following section: "All persons within the jurisdiction of the United States shall have the same right in every State and Territory to make and enforce contracts."

The U. S. circuit court in this district held in the railroad tax cases that corporations were among the "persons" protected by the fourteenth amendment and the civil rights bill. The same court also held that "discriminating and partial legislation favoring particular persons or against particular persons of the same class is now prohibited. Equality of privilege is the constitutional right of all persons, and equality of protection implies not only equal accessibility to the courts for the prevention or redress of wrongs and the enforcement of rights, but equal exemption with others of the same class from all charges and burdens of every kind." The court held that the protection of the fourteenth amendment and of the civil rights bill was available, as against unequal taxation in whatsoever form it might be imposed.

(To be concluded in our next issue.)

Dixwell Hewitt.

—
ASSISTANT MANAGER OF THE PACIFIC DEPARTMENT OF THE PHOENIX OF HARTFORD.

President Skilton of the Phoenix of Hartford, after canvassing the field pretty thoroughly, has selected out of the available material Dixwell Hewitt, the well known special agent, for the position of assistant manager of the Pacific department of the Phoenix Insurance Company of Hartford. That Mr. Skilton has found an able lieutenant for Manager Folger, in Mr. Hewitt, will readily be agreed to by everybody who knows the new appointee.

Mr. Hewitt has the reputation which is confirmed by all his past employers, of being a first-class field man: and he brings to his new duties the experience which is so essential, not only to practical fire underwriting, but to pleasant and helpful relations with the local agents.

Mr. Hewitt is a native of New York, and a graduate of Williams College, of the class of '86. He is about 30 years old. For the past eleven years he has been employed on the Pacific Coast. For four years he was employed by the compact. Since then he has been employed as a special agent and adjuster. Recently he has been a special agent for Manager L. B. Edwards' companies, and had charge of the Pacific Northwest field.

War!

"Our Country—may she always be right!
But our Country—right or wrong!"

The patience of the people of the United States of America has at last been exhausted. They have never been unmindful of the distressing fact that there is a Cuba at our threshold as well as an Armenia in Europe.

Spain is a relic of barbarism. Her history is but a record of extortion, robbery, murder and assassination. She has learned nothing—has abated nothing of her devilishness—since the days of Cortez, Pizarro, and the Duke of Alva. She is still a political anachronism.

The President was probably compelled by the jingoes and yellow-jingoes to take premature action; but war was inevitable. This continent can not peacefully exist with any

fragment in chains subject to a tyrannous and corrupt bureaucracy like that of Spain. Cuba must be free: the Spaniards must be expelled from this hemisphere.

We must expect business to suffer; we must be prepared to make some sacrifices. But the ultimate effects can not be other than good, for business, for peace, for humanity, and for the unity of this Nation.

California Commissioner's Lack of Good Faith.

The entire course of the commissioner since he assumed the office a few months ago has been a disgrace to the State and the appointing power. If he is right, all the honorable gentlemen who have preceded him in the office have been entirely wrong; and as such a conclusion is not thinkable, it follows that the present commissioner is egregiously in error. A glance at a few of Mr. Clunie's rulings and requirements will suffice to confirm our assertion that his conduct has been disgraceful, that his objects have been to annoy the several classes of underwriters, and at the same time exploit his own ambitions, which require publicity, abuse of corporations, and the applause of the groundlings. Through all his official acts, the letters which he does not fail to give the press, his peremptory demands in accord with no law, his ridiculously strained construction of the insurance laws, his deliberate discourtesy and entire lack of dignity, there appears the unquestionable evidence of his deplorable lack of good faith.

The Coast Review Manual.

Following are a few expressions in favor of THE COAST REVIEW Manual written us by correspondents:

- "It is a great help."
- "It is certainly perfection."
- "Contains many suggestions of great value to local agents."
- "Contains information not to be obtained from any other source."
- "I could not well do without it."
- "I find within its pages a vast amount of useful information."
- "I have never seen any other manual that would give the local agent as much intelligent aid."
- "We keep it ready at hand, referring to it often, using it as an authority."
- "I keep it on my desk for reference."
- "It is the best instruction book for agents."
- "I note many items of advantage to me, and for which I have looked in vain elsewhere."
- "The best book of the kind published."
- "It is just what we agents need."
- "Explanations are clear and concise."
- "It is easily understood."
- "Most complete, concise and clearly written book of the kind I have ever seen."



DIXWELL HEWITT,
Ass'tant Manager Pacific Department
PHENIX INSURANCE COMPANY, of Hartford.

Life Underwriters before Inquisitor Clunie.

The fantastic insurance commissioner of California, with ways that are vain, commanded the life underwriters of San Francisco to appear before him, and resolved himself into court, jury and chief high inquisitor. He wanted to know, you know, all about life insurance, as transacted in California, and was of opinion that policyholders were incompetent to make contracts for themselves. The new commissioner, Puffed Up, stood ready to make the crooked straight and redress every wrong, and incidentally get some free advertising and the applause of the gallery. Some way, however, his plans have miscarried. The gallery is silent, and the yellow journals have forgotten the little man.

The proceedings at the inquisition have been printed, and the upshot of the whole thing is that the commissioner's name appears prominently in print on the cover of the book—at the expense of the life offices—as well as in the supreme court records as a defendant charged with unprofessional conduct.

Nothing has been heard from the commissioner since this meeting in January, and it is believed that he is now suffering from information of the brain. It is not improbable that he will rule that as the premiums are payable "in arbitrary terms, fixed by the policy itself," the insurance thereunder is term insurance.

We abridge the remarks of the life underwriters, who seem to have taken the commissioner at his own serious estimate, as follows:

John Landers, of Manhattan Life: There are technical terms used in section 450 of the civil code which are well known to insurance men generally, but which are sometimes rather ambiguous to attorneys. "Tontine insurance" is, of course, a specific contract. Under that form of insurance it is provided that, in the event of forfeiture, there is a waiver on the part of insured to any profits with reference to surplus that may have been allotted to that class of policies, and therefore that provision in the contract in regard to the deferred dividends that are paid at maturity, shall be forfeited to the company. That is a

specific and absolute contract that is entered into at the time between the insured and the company.

Paid-up insurance is a contract between the insured and the insurer for a given sum of money that has been paid by the insured to the insurer, and it becomes by its terms an absolute contract between the insurer and the company. It is absolute; it is fixed. There is nothing more to be said or done in reference to the matter until the maturity of the contract itself.

As to term insurance. Usually a very low premium is paid to the company for a specific term annually, without the dividend feature or any reserve attachable. It is simply the actual cost of carrying the risk at a very low rate, and at the expiration of the term the contract is ended.

Section 450 is practically a copy of the New York law upon the subject. Two slight variations make our statute a little more ambiguous than that of New York. When the insurance department was created in California, the insurance laws were taken almost bodily from the New York statutes.

H. C. Donnels, of the Home Life: Tontine insurance is a contract of insurance under which the profits or dividends, as well as the reserve, are forfeited to the tontine fund either of the death of the insured or the forfeiture of the policy before the end of the term. This tontine fund is distributed among the survivors at the expiration of a specified term. In other words, it is survivorship insurance.

Term insurance is a contract written for a short term of years, and it ceases at the expiration of that term. The company is liable only in the event of the insured dying within that time. The rate of premium is low. Tontine insurance is never term insurance. Paid-up insurance is never tontine insurance. Semi-tontine insurance is a policy on which dividends only are forfeited to the tontine fund. It is only half tontine in principle. A single premium policy is not called paid-up insurance. No full tontine policies have been issued since 1879. Semi-tontine policies, issued since, are now known as tontine insurance.

A. M. Shields, of the Equitable Life: Tontine insurance prior to 1880, was a contract whereby the insured waived all interest in any dividends unless he should live and survive a certain period called tontine period. At the end of the tontine period, if he survived, the insured became entitled to share

in the accumulated profits. If the insured failed to pay his premium, the policy lapsed, and the insured forfeited all right to the premiums already paid; these forfeited premiums, less the cost of insurance, going to swell the profits of those who survived. If insured died during tontine period, the beneficiary took the face of the policy, but nothing more.

Term insurance has always meant a contract or policy of insurance whereby the insurer contracts to pay to the beneficiary a specified sum in the event the insured should die within the term agreed upon in the policy. It is bare insurance, and the insured never in any event acquires any interest in the profits of the company. The words term insurance are not applicable to any form of tontine insurance. One may be said to be the antithesis of the other.

James Munsell, Jr., of the Mutual Benefit Life: I drafted the bill which became section 450 of the civil code as it now stands. Naturally, there is no question in my mind as to its meaning, nor as to how it was understood by the members of both senate and house with whom I very generally discussed it, and particularly as to the meaning and effect of the phrase, "unless specifically contracted between the insurer and the insured for tontine insurance, or for other term or paid-up insurance, a stipulation, etc. The language of that section after that clause came from the policy of the Mutual Benefit Life Ins. Co., almost verbatim. Such expressions as "term" or "other term" or "paid-up" insurance used in said stipulation and elsewhere in the body of the section, mean respectively the same wherever used. It will be found that the same fund and the same reserve intended in the body of the section to be applied, first, automatically to the purchase of said extended "term" insurance, is intended to be applied, alternatively, to the purchase of "paid up" insurance for the then commuted value of the said reserve on said original policy, and the converse of this proposition is also absolutely true. Any other construction leads to what seems to me an absurdity, viz., that paid-up insurance (something which could by no possibility lapse) was specified as an exception to cases involving lapse. In other words, it was utterly needless and useless to insert paid-up single premium insurance originally so issued as an exception to the requirement of this section, for it could by no possibility ever lapse. Hence, it must have been term or paid-up insurance which

was intended to be excepted. The law was intended, unless the companies made an express contract with the insured for some other method, to require them to adopt the method [for the purchase of paid-up or extended term insurance after lapse for non-payment of premium] which was exemplified by the policies of the Mutual Benefit Life. Certainly, I never dreamed of putting forward, and the legislator would never have tolerated, the position that all companies must adopt the provisions of my own company.

C. A. McLane, of the New York Life: Tontine is a feature applied to almost every kind of policy, so that if a man fails to pay a certain premium due, he forfeits everything. That is the original tontine insurance. What is now generally understood as tontine insurance is semi-tontine. Semi-tontine policies are usually referred to as semi-tontine by insurance men. They are the only tontine policies now issued. Full tontine policies were issued up to 1883 or 1884.

Term insurance is never tontine, nor is tontine insurance ever term insurance.

A. B. Forbes, of the Mutual Life: Tontine insurance is never considered term insurance. I agree with the definition of tontine insurance given by Mr. Landers and Mr. Donnels. Paid-up insurance is a substitute for some previous contract existing between the parties. Single premium insurance is not paid-up insurance. It is full-paid insurance. There is another term used by insurance men that has its own particular significance. The term "limited-payment" insurance differs again from "single-payment."

Henry K. Field, of the New England Mutual Life: To define the terms tontine, full-paid, term, paid-up, etc., would simply be repeating what has already been said. I agree with the gentlemen who have preceded me. Semi-tontine is a modification of the original tontine. It is more favorable to the insured.

Alexander G. Hawes, of the New York Life: Full tontine policies constitute a form of insurance by which the insureds are placed in classes, according to the year of their entry and the kinds of policy they take out. The principle of tontine is applied to the whole policy, to the dividends on the policy and to the reserve. So a man who takes out a policy on the tontine plan receives not only the dividends upon the policies of those policyholders who die and those who give up their policies, but also receives his share of

the reserves. The limited tontine plan modifies that to the extent that the reserves are given in the form of paid-up insurance to the insured. The semi-tontine policy, the limited tontine policy, and what is called the accumulation policy, are all the same. They are all tontine.

Clarence M. Smith, of the Northwestern Mutual Life: Originally, life insurance was written as a whole life proposition. But the companies found people who did not want their policies to run always, and who did not want to pay always, and so they settled on making terms for those people. So we divide life insurance primarily into whole-life insurance and term or period insurance. Every policy falls within one or the other of those classes. Tontine insurance is most decidedly term insurance. The tontine principle fixes a term, at the end of which certain settlements may be had. The original tontine insurance was term insurance. Whole life insurance always runs until the death of the insured, while all other kinds run for definite periods. Tontine insurance is one form of term insurance, and paid-up insurance is another form of insurance, but it is not term insurance. The legislators [sec. 450] could not have had any other view and used the expression "or other term insurance" there. Endowment insurance is term insurance. In all term insurance the anticipation or expectation of the insurance company is that the insured will outlive the term, according to the mortality table. Whole life insurance is based upon the expectation that the insured will die before the insurance accrues. The only form of insurance that does not come within the exception in the statute [sec. 450] is "whole life insurance." When legislators legislate, as they have done here, the language is perfectly clear as to what the thing meant, and what they were legislating for. In this section of the code they except tontine or other term or paid-up insurance.

In talking with an insurance man, what the words "term insurance" would include would depend altogether upon how technical we were in the matter. I don't know that I know of any actuary who defines tontine insurance as term insurance, but any actuary would say so. I can not recall, at this time, any author that has specifically said that the tontine is a term policy. But a knowledge of life insurance teaches that it is a term policy when it runs for a given number of years. It certainly is not a whole life policy. It is for a definite term. In the case of an ordinary

life policy, payable at death only, but providing for the payment of dividends in agreed periods, it is a term policy. It is adding the feature of a term to that policy. An ordinary life policy is not a term policy, because it runs for an indefinite period—until the death of the insured. Tontine is a principle that may be inserted into any participating policy, thereby making it a term contract. The introduction of the tontine feature into an ordinary life policy converts it into a term policy. We have not very much in the way of text-books in insurance. But the general principles underlying the subject have appeared in journals and in pamphlets.

State Supervision Gone to Seed.

QUESTIONS ASKED THE COMPANIES BY INSURANCE COMMISSIONER NICK LOONY.

1. Are you a subscriber to an insurance journal?
2. If yes, how long?
3. Give the name of publisher and name of official who authorized such subscription.
4. What is the amount of money your company has contributed to said journal?
5. Why do you advertise?
6. Does any insurance journal praise your company? Did the same ever defame it?
7. Do you insure legislators?
8. If so, why?
9. Do you insure legislators who pass laws against the interests of insurance companies?
10. Are you opposed to free silver?
11. Did any of your officers, clerks, employes or agents parade in the gold-bug processions in 1896?
12. If so, did you doek them for time lost?
13. How often does your president change his shirt?
14. Does the company furnish its employes with boot-brush and blacking?
15. If so, state what particular fund the same was paid out of, and if any voucher was filed therefor?
16. What salary do you pay your janitor? Is he insured in your company? If not, why not?
17. What objection have you to allowing me to place your advertising in this State?

Indiana and West Virginia Felines Touched.

The following clipping from the New Orleans *Daily Item* confirms our worst fears:

BUSINESS CHANCES.—Companies formed, charter by return mail. \$16; good anywhere; no liability; signers furnished by us; consultation free; liberal privileges. Inter-state Law Association, Charleston, W. Va.

From the above it is evident that the charter brokers of Indiana have met with a dangerous rivalry. We never heard of a Hoosier insurance charter being sold for less than \$50, and, under favorable conditions they bring a good price. But

when it comes to \$16 charters West Virginia will, we fear, destroy our home market. However, Hoosier charters are the oldest the market affords, and most of them having been tried often and never found wanting, they may be able to hold their own.—*Rough Notes.*

General Agent Harry L. Roff.

REPRESENTATIVE OF THE HOME OF NEW YORK FOR CALIFORNIA AND NEVADA.

An old and popular California special agent, Harry L. Roff, has been selected by Vice-President Snow for the important position of general agent for the Home Insurance Company. Mr. Roff's territory will include California and Nevada, but it is all familiar ground to him; for he has been a resident of California since 1860, and for nearly a quarter of a century has been on the road as a special agent.

Mr. Roff began active life in 1860, when a boy of 16 years. In that year he rode the first pony express, that great enterprise of the famous Ben Holliday, from San Francisco to Placerville, Cal. In 1864 he entered the service of Wells, Fargo & Co., and remained in their employ until 1868. He then moved from Virginia City to San Francisco.

Having a good opportunity to go to South America, in 1868, young Roff resolved to see a little more of the world. There he was employed for awhile by the celebrated adventurer Meiggs, the Peruvian railroad builder. Tiring of this little outing, Mr. Roff returned to California again in the fall of 1869.

Soon after this we find him taking his first lessons in the insurance business, in the local agency of Carrague & Baber, Oakland, Cal. Twenty-eight years ago, May 7th, Mr. Roff wrote his first policy for the Home and Phoenix, and has been in the service of those companies ever since. Promotion quickly followed, and a few months later the firm of Baber & Roff was quietly announced; later Harry L. Roff alone succeeded.

Though retaining this Oakland local agency, Mr. Roff went on the road in 1874 as special agent. This was a temporary venture, but it speedily became evident that the young man was "cut out" for that kind of work, and had

found a congenial calling in which he was bound to succeed. Shortly thereafter he was permanently appointed as special and adjuster for the Home and Phoenix. Since then he has been traveling up and down California, making and keeping friends among the locals, appointing good men agents, and directing them the way they should go for the mutual interests of both companies and themselves.

Personally, Mr. Roff is a genial man, of good address, with pleasant manners. Professionally, he is a past-master of field work, and is thoroughly familiar with the territory and the work assigned him; and we doubt not the California and Nevada agents of the Home will heartily second Vice-President Snow's appointment of Mr. Roff.

General Agent Roff's headquarters will be at 210 Sansome street, San Francisco.

Do you Want a Copy of the Knapsack?

The *Knapsack* will be published in a few weeks. The edition will be limited. Already local agents are asking questions about it, and if it is the intention of offices to lay in a supply of extra copies, now is the time to order them.

Stipulated Premium Life Insurance.

It used to be "natural premium," then "at cost" or "half price," after "co-operative" became an offensive term. "Assessment insurance" was not objected to at first, but now there are grave objections because many failures are associated with the name. "Stipulated premium" is the latest, and it has legislative sanction. To stipulate is to agree, and a stipulated premium is therefore one agreed upon. But it is not a fixed premium, as in regular life insurance; for the stipulation includes an agreement for an assessment if necessary, and as many assessments as may be necessary, in addition to the "stipulated premium." Have we not here a distinction without any real difference? What does the policyholder in the Mutual Reserve Fund, say, gain if his premium is not advanced but if he is specially assessed two or three times a year, or even only once a year, instead?



HARRY L. ROFF,
General Agent California and Nevada,
HOME INSURANCE COMPANY, of New York.

Fidelity & Deposit Company and Widber's Bond.

C. H. Wilson, attorney for the Fidelity & Deposit Company of Maryland, stated to the writer yesterday that the general public has an erroneous idea that his company has refused to acknowledge its liability on the bond of Treasurer Widber of San Francisco, and that it had or will refuse to pay the same. Such is not the fact. It appears that Widber had considerable property and that the city is in a position to realize upon that property and reduce the liability of the company upon the bond. In other words the city is able to make a certain salvage.

The company has asked the city to make what salvage it can according to the law (Section 2845 Civil Code), before it calls upon the company to pay. This request is not only a proper one from a legal standpoint, but it is also equitable and just. It is in no sense technical nor does it seek in any degree to avoid the bond. Whatever expense there may be attached to effecting the salvage must be borne by the company. The city loses nothing.

There is one other thing that the company asks of the city. The Consolidation Act makes it the duty of a commission, composed of the president of the board of supervisors, the county judge and the auditor, each month to examine the books of the treasurer and see and count the moneys in his hands. If the commission performed its duty, it is obvious that the company was in effect taking a thirty day risk when it wrote Widber's bond. The commission did not perform its duty; in fact, during some months of the present year the commission did not go to the treasurer's office at all, much less count the moneys. This negligence on the part of the commission made the opportunity of Widber to steal the money. The opportunity was too great a temptation for him, and because of the continued negligence of the commission, Widber became a defaulter in an enormous sum.

The negligence of the commission made Widber a defaulter. The company claims that the members of the commission are

responsible to the city in damages for their negligence. The supreme court of the United States has said (11 Wall, 136): "The rule is well settled that where the law requires absolutely a ministerial act to be done by a public officer, and he neglects or refuses to do such act, he may be compelled to respond in damages to the extent of the injury arising from his conduct; mistake of duty and honest intentions will not excuse the offender." The company therefore asks the city to bring a suit against the commissioners to recover damages for their negligence and credit any recovery upon the debt or defalcation of Widber. Such a suit would be a valuable precedent for the city as well as the company. The moral effect of a judgment against the officials, even though they be execution proof, would be of inestimable value to the city as well as to the company. With such a judgment upon the records it is safe to say that all officials in the State would perform their duties with greater precision and promptness.

It may be asked why these suits are not brought directly by the company. That question involves some very close questions of law that cannot be satisfactorily discussed in a brief article. Besides, as to the suit against Widber, the city has already begun action and attached his property, and it is better to wind up the whole matter in one suit than to have two suits and a controversy between the city and the company as to the division of the property or its manner of sale. As to the suits for negligence, there is doubt as to the right of the company to bring such proceedings, while there can be no doubt as to the right of the city to do so.

When the city has taken these proceedings for the purpose of reducing the loss so far as it may be possible, the company will pay whatever balance may be found to be due upon its bond.

The brilliant reasoner of the *Louisville Herald* solemnly argues that "government taxes are no more obligatory than insurance." That the owner of the property can escape taxation by giving it to the government. How simple!

American Red Tape.

Some time ago we printed an account of Paris firemen who stood idly by while a house was burning, because they did not have paper permission to pass through a city gate. Now we find a similar story of official red tape causing the loss of a dwelling in America, as printed in *Insurance News*. Our Indiana contemporary is invited to confirm or deny the following:

A funny story comes from Indianapolis relative to army discipline and a dwelling-house fire. A house adjacent to the United States Arsenal grounds (where a company of regulars are stationed) took fire, and a neighbor ran over into the arsenal grounds and apprised a corporal of the emergency. He got the key and ran to the box, but as he was about to insert the key he remembered it would be necessary to get an order from the commanding officer before the box could be pulled. It was necessary, however, to go find his sword and buckle it on before he dared to approach the commander. The corporal did this, and secured the necessary permission and pulled the box. In the meantime the house burned down.

Masonic Life Insurance a Failure.

Mrs. Abbie A. Salsbury of San Francisco was the beneficiary of the Masonic Mutual Benefit Society, of Indianapolis—of recent departure—in the sum of \$3,000. Proofs of death were approved March 20, acknowledged in a leisurely way May 5, and then followed a long silence. The management woke up in August and promised to pay "this fall." But the hay-seed crop must have been a failure, for at last accounts the Salsbury and a hundred other claims were unpaid, and nobody had the hardihood to say that a single dollar of the same ever would be paid by the receivers of the society.

Another case in point is related by Commissioner Cutting of Massachusetts in the advance sheets of the annual report of the department, as follows:

The Massachusetts Masonic Life Association was doing a life insurance business on the assessment plan. It started as a "fraternal," but in 1893 changed to the "business basis;" but, instead of working the field for new

blood, it stagnated. Year by year the three or four thousand members grew older, and the inevitable result was an increase in mortality. In lieu of collecting sufficient assessments to pay the death claims as they accrued, their payment was postponed. Finally they aggregated twice the amount of the fund in hand to pay them. An extra assessment was then laid. But it was too late. In a short time they increased to nearly \$100,000 or three times the funds in hand. The case was desperate, and a plan was devised and adopted, somewhat new in the history of assessment insurance. Acknowledging the bankrupt condition of the company, the officers had a compromise agreement drawn up and presented to the beneficiaries for their signatures, which provided that every signer should accept twenty-five per cent. of his claim in full payment, provided the signatures of a certain number were secured.

And this in Massachusetts, and this an *insurance* company that had posed as offering *indemnity* to widows and orphans for losses sustained!

The promoter of this scheme demurred at being disturbed, and argued that, if he were allowed to carry it out and settle the debts of the company with twenty-five cents on the dollar, *it could continue*.

Continue to do what? Offer indemnity? Base profanation of the word!

Life Insurance Clearing Company.

Judge Otis, though denying the application for the appointment of a receiver for the Life Insurance Clearing Co. of St. Paul, said:

"The methods of this company, in the past, are undoubtedly open to censure, but it appears that under the new management the company is on a sound basis."

Commissioner Dearth, who had investigated the affairs of the company, favored the appointment of a receiver. The *Western Insurance Review* hotly scores the Minnesota insurance department and the Clearing Company as follows:

"The pusillanimous attitude of the head of this department towards the man who has signed perjured statements, swindled policyholders and claimants and defied both the law and public sentiment is lamentable. "Tom" Scott and his gang are still in control of the Clearing Company and may be relied upon to continue their abominable methods. The com-

pany is not on a sound basis and no real change of management has taken place. Sargent and Hill are merely dummies in Scott's hands and will do nothing except at his bidding. Max W. Hill, secretary and treasurer of the company, has a record which has already been alluded to."

The Sargent referred to is the president of the company. Of Hill, the secretary, his former employes, who are general agents of the National Life at Minneapolis, say: "We are sorry to say that we do not consider him trustworthy; on the other hand, very unreliable, and cannot recommend him for a position of trust. We hold judgment against him for \$27 that is not worth 27 cents."

From the Connecticut Life Report.

Liabilities of life companies increased $8\frac{1}{2}$ per cent. last year, or one and six-tenths greater than the increase during 1896.

Rate of increase in surplus, six and five-eighths per cent. Previous year ten per cent., and in 1895 25 per cent.

During 1897 a number of assessment associations have had to close their doors. The policyholders will receive but a comparatively small dividend, to say nothing of being deprived of the benefit of life insurance when most of them are at that age and in that condition when they require it the most.

The number of collapses in this class of business, and the numerous calls for extra assessments on the part of others which have failed to make good their representations as to the sufficiency of their original premiums to take care of their contracts, shows a weakness in the system as heretofore managed and a defect in the statutes which permit such mismanagement with impunity.

Hartford Life (formerly & Annuity) Ins. Co.—The attention of the company was called to the method of compromising claims, the manner of making loans and investments, and also the method of bookkeeping and dividends to paid-up policyholders. The management assured the commissioner that these matters would be immediately corrected. [Have they been?]

National Life Association, of Hartford.—The examination disclosed that the sworn statements made by the officers of this association were misleading and deceptive, and that the management was such that if the methods were continued they would bring ruin to the

association. The commissioner insisted on the resignation of President Fletcher, Secretary Braman, and Director Wilbur. The association dispensed with their services and reorganized.

Connecticut Indemnity Ass'n.—I found the association's working capital impaired. I have given the association 30 days in which to make good the impairment.

It is not True

That *Insurance Age's* Coast tables are correct.

That any Coast local prefers reporting to an Eastern city.

That French insurance companies paid all just American claims.

That bombardment insurance would lessen any company's surplus.

That Clunie and McNall have resolved to enlist in defence of the Nation.

That "south-of-Market-street." in San Francisco is an unprofitable district.

That Eastern insurance journals are friendly to Pacific Coast insurance interests.

That New Mexico will abandon its "forced loan" from the insurance companies.

That the Mutual Reserve Fund has made any patriotic offer to its policyholders.

That the companies and not the policyholders pay the percentage tax on premiums.

That the Northwestern National has instructed its adjusters to make liberal adjustments.

That life companies that can afford to pay 75 per cent. commissions can't afford to pay a war tax of ten cents on the hundred written.

That *Insurance Post* isn't afraid to reprint the December *Coast Review's* demonstration of the Pacific West's superiority as a fire underwriting field. Such is the *Post's* "style and stature."

The Central Accident will return to policyholders who enlist five times the amount of their "past investments in accident insurance," in event of death or loss of eye or limb in the service of their country.

Morris W. Torrey, for five years assistant actuary for the Union Central, has accepted the position of actuary of the Manhattan Life.

The Guarantors Finance is now in the hands of receivers, who have given a \$500,000 bond.

Royal Exchange Assurance.

—
ONE HUNDRED AND SEVENTY-EIGHT
YEARS OLD—NEARLY TWENTY-FOUR
MILLIONS OF ASSETS—GAINS MADE
LAST YEAR.

During the past year this great English company added several hundred thousand dollars to its assets and over one hundred thousand to its fire premium receipts. Losses fell off, also, so that the ratio of fire losses to premiums was reduced to 47 per cent.

The total assets of the Royal Exchange are now \$23,879,857. Of this royal sum, \$6,404,925 is clear surplus over capital and all liabilities. Policyholders have the special protection of \$9,851,024 surplus. Figures like this shine too well to need any word-gilding.

Taking into consideration the life business transacted by the Royal Exchange, and the reinsurance liability thereunder, we have left the great sum of \$11,528,011 as fire assets, or funds subject to all liabilities of the fire department. Over half this sum is surplus over fire liabilities including capital, and over 85 per cent. of it is surplus as regards fire policyholders.

The total income of the Royal Exchange was \$4,230,878 last year, and the total expenditures, including the usual dividends, were \$3,779,839. This favorable balance and the excellence of the company's investments unite in producing a handsome gain in funds.

The Royal Exchange's United States branch, of which Robert Dickson has been manager since the admission of the company to this country, now has headquarters in New York city. Recently a number of Eastern States have been entered, and in good time the Royal Exchange agencies will be planted in all the States.

The United States branch already has \$883,011 assets invested in this country. The liabilities, reinsurance and other, leave the handsome surplus of \$569,725. American premiums last year were \$344,132, which is a gain of \$80,326. Losses were only 36 per cent. The Pacific Coast

department took in \$170,031, of which only 47 per cent. was required to pay losses. Coast premiums gained several thousand.

There are four American departments of the Royal Exchange Assurance. First, the general or head office department, at 100 William street, New York, with Robert Dickson as general manager. Second, farther west, the Western department, at 164 La Salle street, Chicago, with John Marshall, Jr., as assistant manager. Third, the Pacific department, at 501 Montgomery street, San Francisco, with Frank W. Dickson as assistant manager. Fourth, the Northwest department, Union block, Portland, Or., with Edward Hall as manager. Here is a good combination, which, we are sure, will produce good and substantial results.

The Ætna Life Suit Settled.

[From the Hartford Daily Times.]

The suit of Insurance Commissioner Betts against the Ætna Life Insurance Company, which was settled out of court Tuesday, has attracted much attention in insurance circles and with the public. While the company felt reasonably certain that its position in the matter would be sustained, it deemed it wiser and more economical to compromise rather than continue a long and tedious litigation; and also to put a stop to the practice of its rivals in using the commissioner's suit to the Ætna's detriment. It was claimed by the commissioner that the charge made by the stock department for the participating department's share of the general expenses was unwarranted and illegal. The amount involved, was \$141,441.36. It should be borne in mind that this was a transaction which took place upwards of thirty years ago, and with which the present management had nothing whatever to do. The restoring of this amount, with interest, to the participating department, making a total of \$317,701, was deemed wise in view of the impending litigation and the annoyance, damage and expense incident to it.

This is the substance of what the participating policyholders get out of the litigation. The order to transfer \$1,000,000 of assets, together with more than \$2,000,000 of certain liabilities, is not a hardship to the stockholders and consequently of questionable ben-

efit to the participating insurers. The paid-up policies to be transferred by the terms of the settlement to the participating department were issued prior to 1874, hence have been in force upwards of twenty-four years and of necessity upon the lives of aged persons. It should be understood that the issuance of paid-up policies of the class referred to in the order of the court was discontinued in the year 1874, twenty-two years prior to the complaint of the commissioner.

Fire Insurance Business in Wyoming in 1897.

	Premiums received.	Losses paid.
Ætna	\$3,262	\$. . .
Alliance	2,345	35
American Central	844	5
Atlas	2,355	217
British America	818	. . .
Commercial Union	3,453	. . .
Connecticut Fire	725	44
Continental	2,885	1,260
Fire Association	3,622	201
Fireman's Fund	8,197	1,912
German-American	3,431	1,545
Greenwich	131	. . .
Hartford Fire	4,473	53
Home	1,873	3,823
Home Mutual	2,585	2,761
Imperial	1,546	272
Ins. Co. North America	4,190	260
La Fayette	174	. . .
Lancashire	1,964	1,171
Lion Fire	1,114	164
Liverpool & London & Globe	10,738	200
London & Lancashire	2,831	2,692
Manchester Fire	2,940	42
National Fire	6,336	2,308
Niagara Fire	2,471	125
North British & Mercantile	4,151	678
Northern	1,501	369
Norwich Union	2,386	10
Orient	1,168	1,552
Palatine	2,614	1,051
Pennsylvania Fire	1,888	995
Phoenix, Brooklyn	2,801	1,479
Phoenix, Hartford	2,468	18
Phoenix, London	2,245	109
Providence-Washington	2,913	211
Queen	1,783	65
Royal	3,873	2,676
St. Paul	1,902	2,802
Scottish Union & National	3,528	2,263
Springfield	4,064	. . .
Sun	2,431	27
Svea	687	984
Traders	1,954	. . .
Western	2,190	2,675
Totals, 1897	\$121,850	\$37,054

The percentage of losses paid to premiums received in eighteen years is 39.1. The percentage in 1897 was 30.4.—*Weekly Underwriter*.

Fire Business in Montana in 1897.

	Premiums received.	Losses paid.
Aachen & Munich	\$5,439	\$1,729
Ætna	19,455	6,145
Agricultural	84	. . .
Alliance	9,632	348
American, N. J.	5,339	850
American Central	8,816	5,702
American Fire	7,424	3,770
Atlas	8,346	2,788
British America	7,436	7,732
Caledonian	9,420	6,213
Commercial Union	15,713	5,081
Connecticut Fire	7,369	1,961
Continental	10,968	4,843
Fire Association	14,383	5,411
Fireman's Fund	28,078	10,414
Franklin Fire	1,254	1,402
German-American	12,876	1,324
Greenwich	2,105	1,541
Hamburg-Bremen	12,502	7,232
Hanover Fire	4,963	1,785
Hartford Fire	23,227	9,109
Home, N. Y.	18,770	13,624
Home Mutual	8,022	3,793
Imperial	12,513	4,847
Ins. Co. of North America	12,157	9,575
Lancashire	12,365	11,596
Lion Fire	9,513	5,707
Liverpool & London & Globe	37,351	1,919
London & Lancashire	13,805	4,329
Magdeburg	5,688	6,992
Manchester Fire	14,226	3,888
Manhattan Fire	1,438	. . .
Milwaukee Mechanics	3,568	2,526
National Fire	14,761	4,088
Niagara Fire	4,390	1,408
North British & Mercantile	15,644	2,866
North German	5,635	3,147
Northern Assurance	5,943	540
Norwich Union	7,026	1,190
Orient	5,680	2,346
Palatine	15,562	10,742
Pennsylvania Fire	9,707	48
Phoenix, Brooklyn	11,533	1,430
Phoenix, Hartford	18,665	11,747
Phoenix, London	10,806	2,223
Providence-Washington	4,937	685
Prussian National	6,542	1,937
Queen	10,690	530
Royal	24,582	11,300
Royal Exchange	9,129	1,374
St. Paul	7,716	2,178
Scottish Union & National	8,119	2,001
Springfield	14,521	4,953
Sun	15,049	6,377
Svea	10,658	323
Thuringia	11,064	5,780
Traders	5,440	1,931
Transatlantic	9,242	1,799
Union, London	14,856	996
Union, Pa.	1,349	. . .
United States	2,326	6
Westchester Fire	4,694	2,180

Western Assurance	7,205	3,418
Williamsburg City	898	1,074

Totals, 1897 \$661,773 \$244,883
 Loss ratio, 37 per cent.

Colorado Fire Business in 1897.

Premiums	\$1,525,756
Losses paid	376,799
Loss ratio	24.7 per cent.

The loss ratio in 1896 was 73.6; for both 1897 and '96 the average loss ratio was 50 per cent. See April *Coast Review*, page 200.

New Mexico Fire Business in 1897.

	Premiums received.	Losses paid.
Ætna	\$4,001	\$ 758
Alliance	924	...
American Central	2,352	2,397
Atlas	2,797	3,154
British America	3,427	907
Commercial Union	2,344	7
Delaware	1,083	951
Fire Association of Phila.	5,039	2,831
Fireman's Fund	11,317	4,209
German-American	3,962	2,574
Greenwich	172	2
Hartford Fire	8,071	4,430
Home, New York	1,681	14
Imperial	3,248	114
Ins. Co. of North America	9,835	4,058
Liverpool & London & Globe	3,095	2
Liverpool & London & Globe	8,408	671
London & Lancashire	4,509	979
Manchester Fire	3,159	5,534
National Fire	10,441	2,175
Niagara Fire	1,562	1,062
North British & Mercantile	3,492	37
Northern	2,770	1,409
Norwich Union	3,456	3,262
Orient	935	1
Palatine	7,402	2,003
Phenix, Brooklyn	2,159	15
Phoenix, Hartford	1,542	2,441
Providence-Washington	2,818	2,271
Queen	5,359	1,336
Royal	11,402	5,266
Royal Exchange	3,222	982
Scottish Union & National	7,152	1,636
Springfield Fire & Marine	6,761	1,737
St. Paul Fire & Marine	3,468	476
Sun Fire	2,299	3,095
Svea	1,779	2,014
Traders	5,810	3,973
Western	2,876	892

Totals, 1897 \$166,029 \$69,675
 Loss ratio, 42 per cent.

Utah Fire Business for 1897.

	Written.	Prem's.	Losses Incurred.
Ætna	\$ 388,204	\$ 6,677	\$ 7,127
American, N. J.	100,025	1,815	1,039
American Central	115,600	2,096	2,123
American, Phila.	157,775	3,192	500
Aachen & Munich	84,200	816	589
Alliance	234,150	4,534	1,454
Atlas	273,912	4,534	2,220
British America	164,700	3,598	...
Commerce'l Union Fire	28,600	484	...
Connecticut	241,932	4,420	1,421
Continental	365,810	6,748	3,943
Caledonian	152,281	3,132	4,658
Commercial Union	892,950	10,376	11,515
Fire Association	320,650	6,144	788
Fireman's Fund	602,707	11,722	5,624
Franklin	91,425	1,405	1,439
German-American	387,104	6,797	771
Glens Falls	82,050	816	...
Greenwich	110,375	1,779	588
German Alliance	63,900	955	...
Hanover	183,310	3,501	1,556
Hartford	539,140	9,159	3,175
Home, N. Y.	979,181	17,996	7,798
Home of Utah	2,911,945	56,148	37,866
Home Mutual	153,285	2,562	3,220
Hamburg-Bremen	153,150	2,604	2,640
Ins. Co. North Amer.	170,400	3,357	3,796
Imperial	496,545	9,459	5,930
Lancashire	388,103	7,983	6,177
Lion	253,817	4,758	2,424
Liv. & Lon. & Globe	555,344	10,025	2,975
London	115,204	2,106	4,734
London & Lancashire	329,350	8,263	1,584
Milwaukee Mechanics	158,525	1,960	1,480
Magdeburg	151,353	2,453	1,898
Manchester	211,508	4,447	3,354
National	410,181	7,494	2,048
Northwestern Nat'l	204,500	2,810	1,047
North British & Merc.	347,330	5,656	1,665
North German	197,334	3,760	2,873
Northern	15,204	2,106	4,734
Niagara	59,827	1,127	432
Orient	129,700	2,344	819
Norwich Union	456,461	7,677	9,370
Phenix of Brooklyn	256,540	5,097	2,294
Phoenix of Hartford	979,181	17,996	7,798
Phenix of London	203,200	4,115	3,024
Providence-Wash.	163,525	2,423	2,481
Palatine	287,150	5,519	393
Pennsylvania	121,700	2,897	1,842
Prussian National	90,138	1,216	519
Queen of America	335,792	4,748	1,459
Royal	409,555	5,894	3,075
Royal Exchange	288,400	5,388	2,284
Scottish Union	210,200	4,256	1,321
Springfield	274,610	5,265	3,578
St. Paul	172,913	2,774	1,612
Sun	309,245	6,138	2,517
Svea	267,905	6,027	818
Traders	52,300	878	1,834
Teutonia	22,500	380	...
Thuringia	422,895	6,824	840
Transatlantic	156,225	2,511	3,444

Insurance Press says the *Coast Review* "has started" a craft department. Bless you, youngster; we had one before you were born.

United States	27,350	371	. . .
Union of London	269,115	3,963	3,200
Union, Phila.	27,450	530	. . .
Williamsburg City	53,100	963	. . .
Western Assurance	67,900	1,160	1,132

\$19,828,936 \$358,428 \$204,859

Loss ratio, 57.1 per cent.

Fire Business in Arizona in 1897.

	Premiums Received.	Losses paid.
.Etna	\$9,963	\$9,203
Agricultural	172	. . .
American, Newark	617	2,289
American Fire, Phila.	2,742	1,400
Atlas	3,343	1,767
Caledonian	1,867	1,130
Commercial Union	2,365	256
Connecticut Fire	1,586	150
Fire Association	864	42
Fireman's Fund	12,048	8,486
German-American	1,466	20
Greenwich	115	. . .
Hamburg-Bremen	506	78
Hartford Fire	5,787	1,708
Home	9,986	1,083
Home Mutual	4,528	159
Imperial	3,280	769
Ins. Co. of North America	2,909	3,000
Lancashire	583	. . .
Lion Fire	3,499	302
Liverpool & London & Globe	8,353	2,721
London & Lancashire	3,738	22
Magdeburg	233	. . .
Manchester Fire	3,235	795
National Fire	7,267	2,977
North British & Mercantile	2,606	19
Norwich Union	1,707	41
Orient	1,415	1,543
Palatine	5,738	5,460
Pennsylvania Fire	3,206	2,708
Phoenix, Hartford	9,905	1,287
Phoenix, London	2,920	27
Queen, New York	969	40
Royal	2,986	928
Royal Exchange	1,442	294
Scottish Union & National	2,288	2,836
Springfield	4,258	343
Sun	3,616	50
Svea	8,101	2,032
Transatlantic	235	. . .
Union, London	2,303	1,148
Union, Pa.	1,016	814

Totals, 1897 \$145,763 \$57,917

Loss ratio, 40 per cent.

Alaska Fire Business in 1897.

	Premiums.	Losses.
.Etna	\$2,329	\$. . .
Agricultural	85	. . .
American, N. J.	599	. . .
American Fire	1,491	277
Atlas	345	. . .

Caledonian	10	. . .
Connecticut Fire	613	2
Fireman's Fund	4,892	3,825
German American	2,018	. . .
Greenwich	225	. . .
Hamburg-Bremen	2,033	. . .
Hartford Fire	1,471	. . .
Home, N. Y.	653	. . .
Home Mutual	1,319	. . .
Imperial	1,933	. . .
Ins. Co. North America	879	. . .
Lancashire	1,222	138
Lion Fire, London	1,502	. . .
Liverpool & London & Globe	723	. . .
Manchester Fire	1,387	. . .
Manhattan Fire	46	. . .
Milwaukee Mechanics	451	. . .
National Fire	324	. . .
North British & Mercantile	946	. . .
North German	352	. . .
Norwich Union	1,168	. . .
Orient	452	. . .
Palatine	5,032	298
Pennsylvania	1,216	. . .
Phoenix, London	840	138
Phoenix, Hartford	612	. . .
Providence-Washington	455	505
Queen, N. Y.	703	24
Royal	1,790	59
Royal Exchange	782	. . .
Scottish Union & National	1,099	. . .
Springfield	160	. . .
Sun, London	1,247	. . .
Svea	1,573	310
Thuringia	147	. . .
Tentonia	60	. . .
Transatlantic	335	. . .
Union, Phila.	22,700	530

Totals, 1897 \$68,219 \$6,106

Loss ratio, 9.1 per cent.

BEYOND THE ROCKIES.

Thomas C. Hindman, who fought the Columbian Ins. Co. swindle "to a stand-still," has been appointed to an executive position by the .Etna Life. Mr. Hindman will visit California soon. In 1893 Mr. H. represented the Columbian in San Francisco.

The bombardment or war policy issued by the Westchester says "it is understood that this company is liable for loss occasioned directly or indirectly by invasion, insurrection, riot, civil war, or commotion, or military or usurped power."

Nine per cent. of Massachusetts fires in 1897 were incendiary. There were fifty-six arrests and forty-one convictions. A third of the incendiary fires were attempts to defraud insurers.

The Security Trust & Life has gone out of the trust business. This is the company that had a mix-up with the St. Paul Clearing Co. There are stronger companies.

The Manhattan Fire and Hoodoo Armstrong are already at loggerheads.

Alliance Assurance Company.

LARGE GAINS IN ASSETS, PREMIUMS AND INCOME.

The annual statement of the Alliance Assurance Company of London, which we print on the opposite page, presents some totals which will command attention. The company's assets aggregate \$22,643,541, and of this large sum no less than \$6,001,204 is surplus as regards the policyholders. The great strength of the Alliance, as regards policyholders, is shown yet more forcibly if we deduct the life branch figures, the reinsurance liability, from the total assets. This leaves \$7,302,210 fire assets, nearly six-sevenths of which sum is surplus to policyholders. The net surplus, that is the surplus over liabilities and the \$2,750,000 paid-up capital is the extraordinary sum of \$3,251,204.

These are very substantial figures, showing the extensive resources of the Alliance; but the company has something further which adds somewhat to its strength. It has a very strong directorate. The managing board includes some of the foremost business men and capitalists of Great Britain, with Lord Rothschild as chairman.

Some noteworthy gains were made by the Alliance last year. The assets gained \$1,312,578. The fire premiums increased \$153,890. The income, \$5,308,904, gained \$371,465. The expenditures, \$3,726,845, left a balance of \$1,582,000 on the year's business. While fire premiums increased, losses were decreased. The company was fortunate. The loss ratio was only 40.4 per cent. of the premiums.

The Alliance has a United States department, with headquarters in New York city. It has \$838,300 invested in this country, and of this sum \$729,472 is surplus. The Pacific Coast department is under the management of C. F. Mullins, who doubled the Coast business of the Alliance in '97.

The Pacific Mutual makes no extra war charge, but deducts ten per cent. in the event of death while a soldier.

Fire Business in Washington in 1897.

	Premiums received.	Losses paid.
Aachen & Munich	\$ 9,811	\$ 5,857
Ætna	51,389	23,388
Agricultural	1,374	...
Alliance	3,560	61
American Central	11,199	4,799
American, N. J.	5,995	1,529
American Fire, Phila.	17,272	4,610
Atlas	19,586	8,140
British America	4,524	4,212
Caledonian	16,396	4,688
Commercial Union	41,448	3,871
Connecticut Fire	11,936	3,754
Continental	10,862	3,892
Fire Association	10,980	5,443
Fireman's Fund	40,192	12,793
Franklin Fire	6,295	106
German Alliance	3,622	2
German-American	28,381	8,655
Greenwich	4,296	485
Hamburg-Bremen	19,054	8,676
Hanover Fire	14,823	6,724
Hartford Fire	36,681	15,553
Helvetia-Swiss	742	...
Home, N. Y.	20,524	4,664
Home Mutual	16,674	6,147
Imperial	18,258	6,638
Ins. Co. of North America	20,003	12,122
Lancashire	20,873	6,243
Lion Fire	16,423	6,164
Liverpool & London & Globe	53,929	12,235
London & Lancashire	18,763	9,794
London Assurance	9,712	2,676
Magdeburg Fire	11,034	3,552
Manchester Fire	22,117	4,204
Manhattan Fire	2,356	...
Milwaukee Mechanics	8,277	2,189
National Fire	24,278	5,764
North British & Mercantile	21,825	13,025
Northern Assurance	9,702	2,676
North German	16,541	6,762
Norwich Union	22,186	10,663
Norwalk	1,289	106
Orient	8,711	2,117
Palatine	34,676	14,166
Pennsylvania Fire	19,237	11,001
Phoenix, Hartford	20,616	4,657
Phoenix, London	14,642	2,652
Providence-Washington	5,991	3,935
Prussian National	7,022	372
Queen	15,659	5,033
Royal	40,996	10,986
Royal Exchange	11,478	8,498
St. Paul	7,360	4,342
Scottish Union & National	16,991	13,755
Springfield	18,421	6,156
Sun	22,864	10,460
Svea	20,606	8,178
Thuringia	21,781	1,603
Transatlantic	10,848	5,669
Union, London	11,150	3,081
Union, Pa.	2,807	75
United States	3,143	...

Westchester	9,839	4,612
Western	11,299	13,468
Williamsburg City	3,319	12
Totals	\$1,044,638	\$377,690

Loss ratio, 36.2 per cent.

Idaho Fire Business Last Year.

	Premiums.	Losses, paid.
Aetna, Hartford	\$ 8,421	\$ 3,930
Agricultural	282	..
Alliance	1,017	2,098
American, N. J.	975	184
American Fire, Phila.	4,022	1,240
Atlas	436	11
British America, Toronto	1,787	299
Caledonian	4,595	1,232
Connecticut Fire	2,186	1,146
Continental	2,209	669
Commercial Union	3,211	..
Fire Association	4,441	2
Fireman's Fund	7,895	8,556
German Alliance	222	..
German-American	3,372	4,380
Greenwich	167	1,377
Hamburg-Bremen	4,947	1,552
Hartford Fire	8,090	11,502
Home, N. Y.	8,581	4,073
Home Mutual	3,896	1,092
Imperial	1,662	580
Ins. Co. of North America	3,687	181
Lancashire	2,634	3,052
Liverpool & London & Globe	12,134	3,139
Lion Fire	865	580
London & Lancashire	3,395	23,848
London Assurance	1,493	1,220
Magdeburg	217	..
Manchester Fire	5,414	1,401
National Fire	4,588	8
North British & Mercantile	3,811	3,159
Northern Assurance	1,489	1,220
North German	315	..
Norwich Union	3,967	3,603
Orient	337	..
Palatine	8,776	1,182
Pennsylvania Fire	2,852	1,701
Phoenix, Hartford	8,449	4,073
Phoenix, London	2,474	1,328
Providence-Washington	459	35
Queen, N. Y.	2,735	5,241
Royal	5,425	7,081
Royal Exchange	1,606	11
Scottish Union & National	626	..
Springfield	2,900	..
Sun, London	1,510	500
Svea	4,382	10
Teutonia	12,557	288
Thuringia	3,156	1,886
Transatlantic	324	4
Union, Phila.	741	..
Western	792	50
Totals, 1897	\$176,344	\$108,715

Loss ratio, 61.6 per cent.

Fire Business in Nevada, 1897.

	Premiums.	Losses paid.
Aetna	\$2,461	\$ 3
Atlas	916	..
Caledonian	1,992	..
Commercial Union	2,044	1,047
Connecticut Fire	939	..
Continental	2,028	1,760
Fire Association	468	12
Fireman's Fund	6,376	2,178
German-American	1,934	12
Hamburg-Bremen	2,611	502
Hartford Fire	3,167	481
Home	4,543	3,702
Imperial	3,591	1,071
Ins. Co. of North America	1,112	..
Lancashire	1,447	10
Lion Fire	2,316	..
Liverpool & London & Globe	6,238	2,367
London & Lancashire	3,255	..
Manchester	2,077	112
National Fire	1,566	1,299
North British & Mercantile	2,548	..
Norwich Union	2,146	..
Orient	1,194	1,361
Palatine	3,047	..
Pennsylvania Fire	2,070	428
Phoenix, Hartford	4,543	3,702
Phoenix, London	1,307	4,831
Queen	2,007	299
Royal	4,725	191
Royal Exchange	812	25
Scottish Union & National	2,165	1,500
Springfield	1,256	394
Sun	2,100	..
Svea	3,682	1,350
Union, Pa.	421	..
Western	750	500
Totals, 1897	\$85,974	\$29,137

Loss ratio, 33.9 per cent.

Fire Business in Oregon in 1897.

	Premiums received.	Losses paid.
Aachen & Munich	\$ 8,795	\$ 12,308
Aetna	17,114	9,645
Agricultural	1,303	..
Alliance	7,559	2,091
American, N. J.	2,989	606
American Central	5,239	3,044
American Fire, Phila.	19,620	12,910
Atlas	4,895	1,491
Caledonian	12,002	2,528
Commercial Union	20,863	10,944
Connecticut Fire	16,576	9,343
Fire Association	18,312	9,801
Fireman's Fund	33,185	14,113
German-American	39,192	8,106
Greenwich	1,355	288
Hamburg-Bremen	18,858	9,768
Hartford Fire	24,488	12,828
Home, N. Y.	24,694	18,952
Home Mutual	23,079	15,248

Imperial	30,930	7,584
Ins. Co. of North America	12,861	7,890
Lancashire	13,135	4,385
Lion Fire	13,412	7,073
Liverpool & London & Globe . . .	30,650	17,588
London & Lancashire	22,096	17,321
London Assurance	9,496	5,399
Magdeburg	11,344	4,853
Manchester Fire	17,422	3,394
National Fire	14,901	12,329
New Zealand	14,344	4,433
North British & Mercantile . . .	20,507	6,305
Northern Assurance	9,388	5,398
North German Fire	758	32
Norwich Union	25,356	7,658
Orient	8,310	2,466
Palatine	16,894	13,386
Pennsylvania Fire	15,362	3,170
Phoenix, Hartford	24,594	19,678
Phoenix, London	12,743	23,055
Providence-Washington	2,404	4,603
Queen	16,390	10,670
Royal	29,582	19,035
Royal Exchange	17,368	10,066
Scottish Union & National . . .	17,194	7,552
Springfield	11,448	6,110
St. Paul	4,358	1,563
Sun, London	19,681	10,763
Svea Fire	8,104	4,619
Thuringia	20,662	2,700
Transatlantic	1,923	5,648
Union, London	11,143	806
Union, Pa.	2,269	...
United States	2,405	2,212
Westchester Fire	5,210	3,568
Western	10,903	5,551
Totals	\$795,555	\$422,887

Loss ratio, 53.1 per cent.

Sample Life Insurance War Permits.

MUTUAL LIFE'S WAR PERMIT.—Permission is given, for one year, to policyholders of the Mutual Life, to serve the Nation as soldier or sailor, within the territorial limits, during actual hostilities. In case of going outside the country, an additional premium not exceeding 10 per cent. will be charged to cover the additional risk. The general war permit for policies written after April 21, 1898, is as follows:

Permission is hereby given to to serve in the military or naval service of the United States during actual hostilities in time of war. For the additional risk hereby assumed by the company, an extra annual premium of \$, being 10 per cent. of the amount insured, is due on the date hereof, and on each anniversary of said date during continuance of hostilities. After the cessation of hostilities the amount due for the extra hazard will be calculated by the company in accordance with its mortality experience as a consequence of such hostilities, and the difference

between the amount paid and the amount thus determined by the company will be held by the company to the credit of said policy, and applied towards the payment of future premiums thereon. Should the said policy become a claim by death, such difference, if any, which remains unpaid, shall be paid as a mortuary allotment.

If the insured does not leave the country, the extra premium will be applied toward the payment of future premiums.

ÆTNA LIFE'S WAR ENDORSEMENT.—Following is a copy of the war endorsement to be placed on new policies in the Ætna Life when requested:

On notice to the company, signed by the insured, on a form provided by the company, to the effect that he has entered the army or navy of the United States for service in the existing war with Spain, permission therefor will be granted, signed by an officer of the company, provided that such notice shall be a waiver of any dividend or surplus payments under this policy until the extra mortality as described below has been paid, and provided further that such notice shall constitute a first lien upon this insurance to the extent of two hundred and fifty dollars for each thousand dollars of insurance, which must be liquidated before any surrender value or paid-up insurance (or extension of the sum insured without payment of premium) shall be granted, and that said lien shall be held as a fund for the payment of such death losses as shall exceed the tabular mortality under policies receiving this permission. Any portion of said fund not required for this purpose shall at the expiration of one year after the close of the war be credited upon said liens under policies in force if the insured are then living, and no others, and interest at the rate of four per cent. upon the uncanceled part of the said lien under this policy shall be payable annually in advance after three years from this date, as well as the premium, in order to continue the insurance in force for any amount.

PHENIX ASSURANCE COMPANY.—The report to be presented to the annual general meeting on 6th inst. has been issued. The premiums for the year amounted to £1,114,889, as against £1,091,802 before. The losses amounted to £665,498 or 59.6 per cent. of the premiums, as against 58.8 in 1896. The expenses were 32.6 per cent. as against 32.5 before. Including interest and balance brought forward, the profit and loss account shows a credit of £203,311, out of which it is proposed to declare the usual dividend of £1. 3s. per share, to be paid on 30th inst. Including the paid-up capital the total funds amounted to £1,511,935. 17s. 8d.—*Finance Chronicle*, London.

Here is something which may have an application to cut-rate fire insurance as well as

to half price life insurance. It is old, like the cheap egg, but is more useful. Pass it along: Lady to Grocer—"What is the price of those eggs?" Grocer—"Twenty cents a dozen." Lady—"Haven't you any cheaper ones?" Grocer—"Yes, lady; there are some for ten cents." Lady—"Are they just as good?" Grocer—"Yes, just as good, until you want to use them." Moral—Cheap insurance is just as good as any until you want to use it.

Headquarters Removed from Chicago.

The United States headquarters of the Thuringia and Frankfort have been removed from Chicago to New York, by United States Manager Voss.

Palatine Insurance Company.

At the annual meeting of the Palatine's stockholders, on April 13, a satisfactory statement of accounts was presented. The balance sheet shows the possession of \$3,717,544 assets. The gross premium income was reduced, owing to cancellation of reinsurance business; but the direct business was increased. Unusual losses were experienced in the London and Melbourne conflagrations, but the loss ratio (60 per cent.), plus the expense ratio, still left a good margin of profit. The net balance on the year's business was \$150,000. The usual dividends were paid.

The Palatine led all foreign companies, last year, on the Coast, where it operates under the management of Charles A. Laton. The *Review* of London speaks of this company as follows:

The Palatine is one of our most carefully managed and far-seeing fire offices. We would not say it is the stormy petrel of fire insurance, but when the Palatine takes in sail, it is as well for the majority of companies to prepare to send down their rigging. There are many companies which provide their own experience and which act on the knowledge obtained by their own officials and through their own agencies, and of these the Palatine is one. But there are a number of other offices which are content to see how things are going, and follow suit. In following on a risk, many are content to ask who is on already, and then play at follow my leader. The Palatine is not built that way, and it may be depended upon that the slight reduc-

tion in the annual premium income, leaving what might be considered even now the colossal sum of £690,377 as the net premiums of the year, will be to the future benefit of the shareholders.

American Casualty Statistics.

[From the *Coast Review* Chart.]

Gross assets	\$ 31,808,633
Capital	10,935,460
Surplus	7,518,211
Dividends	616,368
Premiums	15,935,816
Claims paid	6,302,692
Expenses	8,679,999
Risks in force	3,104,394,744
No. companies. 25 (3 foreign).	

Farewell Lunch to a Volunteer.

B. B. Sturdivant, who has been twelve years in the office of Butler & Haldan, is first lieutenant of Co. B, First California Infantry, now in service of United States at Presidio. His position will be open for him when he returns from the war. Butler & Haldan gave Lieut. Sturdivant a farewell luncheon May 16, in the "owl room" at the Bohemian Club. All the attaches of the office were guests of the firm. Among the guests, also, was Capt. Filmer of the same company. The luncheon was a very pleasant affair.

Fine Offices of the Alliance.

The old insurance companies followed the rule of the nobility in selecting either a motto, or a sign, as a distinguishing trade mark. The Alliance selected a castle as an emblem of strength, and a fitting emblem, too; for it claims a subscribed capital of £5,000,000.

The company has some really fine offices, not only in London, but in the country also. Go to that grimy but enterprising city of Manchester, and in Cross Street—one of its leading thoroughfares, you will find a handsome Alliance creation; or go to the bright and clean manufacturing capital of the midlands—Leicester, and, there again, you will see a building unique in architecture; go further afield—to America, and you will be welcomed in offices of a really palatial character, judging from photographs of the Pacific Coast branch, which recently appeared in the *Coast Review*.—*Business*, London.

The Northwestern Mutual Life charges \$10 per \$1,000 extra for war privileges, on policies under two years old, and \$20 extra if service be south of the Tropic of Cancer.

General Agent J. D. Coleman.

REPRESENTATIVE OF THE HOME OF NEW YORK FOR THE PACIFIC NORTHWEST.

We introduce to our readers generally the general agent of the Home Insurance Company for the Pacific Northwest—J. D. Coleman. Mr. Coleman, however, requires no introduction to our readers in the jurisdiction of his new department. He has been a special agent in that field for a number of years, and has repeatedly visited all its cities and towns, as the representative of the company which he will hereafter serve in a more important capacity.

Mr. Coleman is a native of Indiana and is about forty years old. He is a graduate of Ann Arbor University. After a brief experience in insurance work in his native State and in Kansas City, Mr. Coleman came to the Pacific Coast in 1880, and accepted a position as civil engineer. He was employed in the construction of all the railroads in the Northwest.

It was not until 1890 that Mr. Coleman resumed insurance work, for the Home and Phoenix, and later he accepted a tempting appointment as clerk of the State circuit court for the principal county in Oregon. This dip into politics led to his appointment, in 1893, as chief deputy for the United States marshal for the district of Oregon.

Tiring of practical politics, Mr. Coleman returned to the Home and Phoenix in 1895, and has since been actively at work for these companies as special agent and adjuster in the Northwest.

General Agent Coleman's territory as the representative of the Home will include Oregon, Washington, Montana and Idaho, with headquarters in Portland. It is the general verdict that Vice-President Snow has made a first-rate appointment, and one best calculated to carry out the new plans of the Home. Mr. Coleman is in close and sympathetic touch with the local agents, and is well qualified to secure and retain the services of the best men in his field. He will have full charge of all

locals and specials in his territory, and also the adjustment and payment of all losses.

The Coast Review Insurance Chart.

This annual will be out in a few days. It will contain the usual varied statistics.

Rear Admiral Dewey of an Insurance Family.

The hero of the naval battle in the Philippines, then Commodore, now Rear Admiral Dewey, is a brother of President Dewey of the National Life Insurance Company of Vermont. Their father was a life insurance man, and other members of the family are engaged in the insurance business.

American Life Business.

On page 263 we print a table of American life insurance companies' totals, as reported to the New York insurance authorities. The large gains in 1897 are evidence of a return of general prosperity. New business gained for the first time since 1893.

Gains were made in round numbers about as follows: In assets, \$106,000,000; in surplus, \$11,000,000; in income, \$22,000,000; in premiums, \$15,700,000; in payments to policyholders, \$3,300,000; in dividends, \$1,400,000; in policies in force, \$180,000; in insurance in force, \$300,000,000; in new business written, \$28,000,000.

Lapsed and surrendered insurance, which has been gaining since 1892, is about the same as in the previous year. This is a good sign.

Annual Meeting of Board of Fire Underwriters.

At the annual meeting of the Board of Fire Underwriters of the Pacific, on May 6, officers were elected for the ensuing year, as follows:

President, Chas. D. Haven, re-elected.
Vice-President, Wm. J. Dutton, re-elected.
Secretary, E. F. Mohrhardt, re-elected.
Treasurer, Geo. E. Butler, re-elected.

The retiring members of the executive committee are H. R. Mann and A. E. Magill. They are succeeded by Cesar Bertheau and Herbert Folger, new members. James D. Bailey, who had



J. D. COLEMAN,
General Agent Oregon, Washington, Montana and Idaho,
HOME INSURANCE COMPANY, of New York.

served the unexpired term of Robert Dickson, was unanimously re-elected for a full term. At a subsequent meeting of the executive committee, Geo. E. Butler was elected chairman.

Acknowledgements.

Industrial Ins. as an Educational Factor: by Geo. H. Gaston, of Metropolitan Life.

Pennsylvania Ins. Report, part first: James H. Lambert, Ins. Com. This report contains nearly a thousand pages, and the commissioner reviews the business at considerable length.

Massachusetts Fire and Marine Report: Fred'k L. Cutting, Ins. Com. This is one of the State reports we deem eminently worthy of preservation. Statistics are given of 340 total and 3,690 partial fire losses in the State during 1897.

Proceedings of 22d Annual Meeting of the Fire Underwriters' Association of the Pacific. This is a book of 167 pages, with several portraits. With the varied and valued contents of this annual our readers are already familiar. Edward Niles's illustrated "Chicken Dispute" contains a number of good "take offs," the subjects of which hardly needed Mr. Gurrey's clever pencil to label them. We urge our readers to send 50c to Sec. Meade, 6 Leidesdorf St., San Francisco, for a copy.

The quinquennial number of the *Spectator*, celebrating its thirtieth anniversary, is a handsome and creditable production. Among the contents we notice contributions by Secretary Faymonville of the Fireman's Fund, on "The Rate War on the Pacific Coast," and Special Agent Niles of the North British, on "The Conversion of Anderson." A Chicago man attempts to prove that, even if the city has no important insurance company of its own, Chicago is an insurance center. The letter-press is fair, considering the machine typography. As this anniversary number was received on April 19, we assume that at this late day any extended notice of the contents would be out of place.

Cyclopedia of Insurance in the United States, 1897-8; by H. R. Hayden, Hartford. This work is now well established. It covers the ground completely, and is a veritable cyclopedia. It seems to us to be a much more useful work than the Insurance Year Book. The California chapter gives a succinct account of Clunie's antics. We suggest that

next year's issue of the *Cyclopedia* contain an abbreviation of the California supreme court's report of the case in which the little attorney was defendant, as printed elsewhere in this issue. The contents of the annual include life and accident information, as well as fire. Twenty-two fire Lloyds are enumerated as still surviving. The names of 103 bursted fire Lloyds are printed. No fewer than twenty-three pages are required to summarize the insurance legislation of 1897. It is evident, from this astonishing record, that legislators "are but children of a larger growth."

Connecticut Life and Casualty report: Frederick A. Betts, Ins. Com. Complete and well printed: 800 pages, including laws. Quotations elsewhere.

The *Coast Review* is indebted to the Phil Gibson Insurance Agency of Great Falls, Mon., for a copy of our short August (1897) number. This agency, by the way, represents seventeen companies.

New York Ins. Report, parts 2, 3 and 4: life, casualty, etc.: Lewis F. Payn, Supt. This report has been issued with commendable promptness. Mr. Payn is making a good record in this as in other respects. Thirty-five companies report \$13,334,051,344 assets, of which \$185,802,015 is surplus. Assets, surplus and premiums increased. The co-operative organizations lost nearly three millions in receipts.

Discriminating Taxation: by Henry H. Putnam; Standard Pub. Co. The author's conclusion is that, "Aside from the hazard of the business, State legislation and not the branch offices has been the real drag upon the development of American capital." He contends that "the outcome of discrimination will not be expansion of American capital, but contraction; not benefit to the insurance public, but detriment."

We have received Vol. I, No. 1 of *El Investigador*, of Puebla, Mexico. It is the only insurance journal in Spanish America, and it therefore has a large field for the energies of Editor Zerman. The new journal can be of inestimable service to both companies and policyholders, and its pioneer work should therefore be immediately recognized with substantial advertising and subscription patronage. *El Investigador* can very materially curtail the mischievous possibilities of speculative insurance schemes in Spanish America.

Nevada Report: C. A. La Grave, insurance commissioner.

Insurance Digest, Vol. X: Finch. Rough Notes Co., Indianapolis, publishers. This is an invaluable digest of insurance cases, embracing all decisions of the principal American courts, for the year ending October 31, 1897. The author is John A. Finch, the well known insurance lawyer.

The present volume contains 850 decisions. Of the cases cited, 112 involve the construction of statutes affecting insurance contracts. In connection with the digest of each case, a note is given showing what had been the result of litigation in the lower court. Seventy per cent. of the cases tried resulted adversely to the companies in the lower courts, and the companies prevailed in but forty-two per cent. of those reviewed by the appellate courts. The indexes to this volume are complete as to subjects as well as cases.

Nevada Life Business, 1897.

Written.		Written.	
Equitable	\$ 48,000	Pacific Mutual . .	\$ 9,000
Manhattan Life . .	2,000	Pac. Mut. indust. .	26,980
Mutual Reserve . .	6,000	Travelers	1,000
Mutual Life	183,594	Union Central . .	8,000
New York Life . .	257,034		

Life and Casualty Notes.

The Mutual Life advertises that it will send free a copy of a book on the care of the sick to anyone sending the name and address of an eligible "prospect."

The Catholic Order of Foresters has just been compelled to pay \$1,000 on a certificate in default, the by-laws providing for the payment of poor men's dues by the order.

The Betts Etna Life legal controversy has ended. The company pays the expenses of the case and agrees to make the transfers from stock to mutual which the commissioner requires.

The proposed war revenue bill imposes a tax on insurance policies. Industrial policies, we are informed, were excepted when the attention of the committee was called to their disproportionate number and size.

MUTUAL RESERVE FUND.—A contract is a contract, y' know, and the contract these members have is a bad, very bad, one for them, and to make it "good" the only way for them is to pay up, or die while their certificates are in force. Either way is hard, but there is no other, for, of course, to do

neither pay up nor die, the contracts become void, and that is just the very thing the Mutual Reserve would like to happen, for it is patent, everything points to the fact that the Mutual Reserve earnestly desires to get rid of its aged members *alive!* Here is where lapses pay—and to promote lapses thoroughly and effectually the freeze'-em-out process is resorted to, and the victims must grin and bear it. The Mutual Reserve can stand the process longer than they can, and enjoy their misery all the while with something like pleasure.—*Bulletin*, Toronto.

In Denver F. E. Busby has become general agent for the National Life for Colorado.

The Metropolitan Life will not for the present increase rates on policies on the lives of volunteers.

The Germania Life insures all National Guardsmen in war service without extra charge as regards policies issued before April 1.

The department stores pay such small salaries that the clerks as a rule can't afford to insure their lives. This being the case, department stores are contrary to public policy.

The Kansas Mutual Life, formerly an assessment company, latterly writing term insurance at too low rates, has found it necessary to increase its rates. Of course the policyholders kick.

President Moore of the Pacific Mutual has arranged with McNall of Kansas for a test case, to determine whether or not separate licenses must be obtained for both departments of a company doing both life and accident business.

According to the *Journal of Commerce*, assessment associations are shrewdly evading the Georgia law requiring the words "assessment plan" to be printed across the face of the policy in red ink, by printing the whole policy in red, thus making the "ear-mark" inconspicuous.

HARTFORD LIFE INS. CO.—Permission has been granted this association (formerly "and Annuity") to increase its rates twenty per cent., in order to meet outstanding demands. It is following in the footsteps of the Covenant Mutual of Galesburg, the Mutual Reserve and the Northwestern Life of Chicago.

The insignificant Denver Life (assessment) has been refused admission to New York, and the Colorado department unwisely take

umbrage thereat. He threatens to retaliate. It is not creditable to Mr. Vivian that he should champion the humbugging Denver Life merely because it has its head office in Colorado.

At last month's meeting of the Chicago Life Underwriters' Association President Moore of the Pacific Mutual Life Ins. Co. was present and made a few remarks, complimenting the association and warmly inviting the members to come to San Francisco. President Greene of the Connecticut Mutual Life Ins. Co. was present also, and made a strong speech on the "Currency Question in Life Insurance." Col. Greene is very much in earnest, on this as on other subjects. He said: "The dollar that we are compelled to receive for premiums, for interest, and in payment of our loans, we can compel our policy-holders to receive. So that, so far as we are concerned, merely as a corporation, it makes no difference what the dollar is, how much it is worth nor how little it is worth. But it makes all the difference in the world to those who are depending on the dollars that they are to get from us."

A Mutual Policy and a Disappointed Church.

Church trustees who are insuring church edifices in the irresponsible National of Lisbon should take warning from the experience of the Dodge Center M. E. Church trustees, in Union county, Ia. They wanted cheap insurance, and accepted the policy of the Anchor Mutual Fire Ins. Co. for \$1,000. The fire occurred nearly three years ago, but the church folks have not yet been able to collect their little old thousand. We find a report of the case in the *Underwriters Review* of May 12.

The district court said of the secretary's letter regarding proofs: "The letter is a mere evasion. They cannot by this evasive letter get clear of paying this loss. To allow the defendant to do so would be wrong, and would allow a technical evasion to prevail over common sense and right." There was a pretence, on the part of defendant, that the proofs were insufficient, but no specific objection was made at the time. The court held that the proofs were "almost perfect, as required by statute." The defendant mutual appealed to the supreme court, not because it had any case, we imagine, but because it had no thousand dollars and interest wherewith to pay the judgment.

This is the sort of make-believe that mutual fire insurance is. Beware of the National

church mutual. It is doing an illegal business everywhere outside of Iowa. Beware of all Iowa fire mutuals.

They Would Have Yelled.

Figuratively speaking, the yellow journals would have yelled themselves black in the face, with poster-type and border-lines, if the regular life companies instead of the Mutual Reserve Fund and the like had been compelled to increase rates. As it was, the yellow journals barely and obscurely mentioned the recent increase. A fellow-feeling for humbugs made their managers uncommonly kind.

AGENCY APPOINTMENTS.—Just why a fire office should object to the publication of its local agency appointments has never been made clear to us. Is not the new appointee given a sign? Is he not allowed to announce to the public that he is the agent of the Bright Star? Has he no office in the business part of town? To these queries the answer must be in the affirmative. The inability of the traveling special of a competing company to discover this local agent unless he sees the announcement of the appointment in print is something not understandable.

SYDNEY SMITH says: "Mankind are always happier for having been happy. So that if you make them happy now, you make them happy twenty years hence by the memory of it." To exclude care and anxiety—to prepare an anchor on which human hope can rest—is to produce happiness at once for a whole family, through life insurance. They know there is something in store for them: their very lives are enriched in advance. Though this benefit is not so often taken into account as is the tinkle of the cash part of insurance, it is no small element in its beneficence.—*Weekly Statement*.

NEW YORK RATE-CUTTING.—The line covering the Madison Square Garden, with its theatre and circus hazards, was offered on Monday at 75 cents for three years, while the tariff rate was about \$1.50 per annum. The tariff rate on furniture storage in non-fire-proof buildings was \$1.50, while at the present time the business is being gobbled up at 40 cents. The Academy of Music line, which formerly paid 4 per cent., is being freely written at 2 per cent. and less.—*Insurance Press*.

With kindly thought for the people of California—the London *Review* refers to Commissioner Clurie as "of San Francisco."

Hugh Craig, State Agent of the Home Insurance Company.

The president of the San Francisco Chamber of Commerce, Hugh Craig, has been appointed Metropolitan manager of the Home Insurance Company of New York, and will re-enter the business of fire insurance. Mr. Craig has had over twenty years' experience in underwriting on this Coast, and has a specially large and valuable acquaintance among the business men of San Francisco and vicinity.

As his name implies, Hugh Craig is of Scotch parentage. He was born in Sydney, Australia, December 8, 1842. In his seventeenth year he was a student at Wesley College. The battle of life was begun early, and the career of the subject of this sketch has been a varied but always a progressive one.

Arriving in California in 1870, ready to engage in any honorable work, young Craig was employed as a laborer in Oakland. In the following year he was appointed purser of the steamship *Nebraska*, running between Honolulu, Auckland and Sydney. In yet another year, in 1872, he was made manager of the Auckland Steam Packet Company.

Mr. Craig returned to California in 1873, and as accountant re-entered the Oakland house where he began as laborer. In 1875 he began insurance work as an agent of the New Zealand Insurance Company, and two years later he was appointed its manager for this field. The company was then scarcely known here, but under Mr. Craig's management it speedily became an important factor in Coast underwriting affairs.

Mr. Craig is in many respects a typical American citizen. He began active life under humble circumstances, and has worked his way upward by force of character and merit. He has zealously entered into public affairs, which he enjoys keenly. He is now serving his third term as president of the San Francisco Chamber of Commerce. Mr. Craig was the presiding officer of the Transmississippi Congress, which met at Salt Lake City; and he is now the president of that body, and will open the congress at Wichita,

Kan., next September. Some of our readers will doubtless recall Mr. Craig's resolute action at the recent congress, when he was largely in the minority. Opposition only whets resolution, with Mr. Craig, as long as he believes himself in the right; but defeat never makes him despondent or complaining. Like a true philosopher he accepts the disposition of the gods of fortune, and attends to duty as it presents itself.

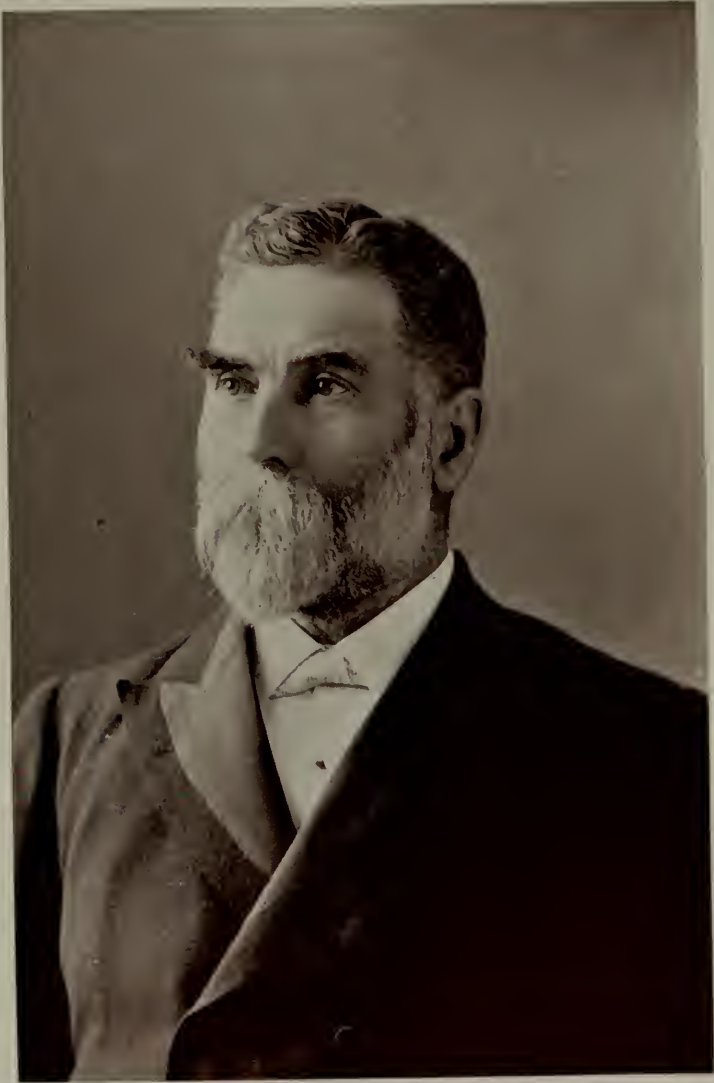
Mr. Craig has just returned from Europe, where he had a delightful experience of the hospitalities of our British cousins, and of whom he speaks in glowing terms. Mr. Craig is an ardent believer in the near approach of an alliance of English-speaking peoples the world over, something which he has advocated for years. The entire trip was thoroughly enjoyable, and Mr. Craig returns home refreshed, and re-enters the insurance business with renewed strength, and with the determination to do his share in maintaining and extending the leading position of the Home in Coast underwriting.

Death of Secretary Cramer.

Secretary A. J. Cramer of the Milwaukee Mechanics Ins. Co. died suddenly at Milwaukee, of pneumonia, on May 11. Mr. Cramer some time ago visited the Pacific Coast, where he met a number of our local underwriters. He was a very capable and successful fire underwriter.

FIRE DECADE.—Of sixty millionaire fire offices during business in this country, as printed in the *Spectator*, forty-three have made money in the past ten years. Only ten have made over a million profit, and of these the Fireman's Fund of San Francisco is one. The ratio of profit to premium, of the whole sixty companies, was only 2.51. We commend this fact to people (or newspaper editors) who think fire insurance is "a cinch."

IN INSURANCE, as in everything else that a man purchases, the cheapest is not the best, and, as a rule, companies that write business of all classes, at whatever rate they can secure, are not the companies that settle their losses equitably and promptly.—*Des Moines (Ia.) Capital*.



HUGH CRAIG,
Metropolitan Manager
HOME INSURANCE COMPANY, of New York.

April Fires.

—

Washington.

8. Everett, fr dwg:
 Aetna \$740
 (March) Tacoma, mill:
 Franklin \$700
 9. Enunclaw, fr dwg:
 Liv. & Lon. & Globe . . . \$500
 2. Mt. Vernon, bldgs, mdse, etc.:
 Union, Pa. \$ 500
 Pennsylvania 1,400
 Greenwich 500
 American, Pa. 1,700
 7. Mt. Vernon, stk harness:
 Providence-Washington \$500
 31. (March) Orting, fr dwg:
 Scottish Union \$953
 17. Roslyn, dwg:
 Norwich Union \$500
 . . . Northport, stock, etc.:
 Fire Association . . . \$1,000
 20. Tacoma, bhld furni:
 Hartford \$650
 22. (March) Tacoma, bldg and
 contents:
 North German \$1,000
 16. Sumas, fr shingle mill:
 Svea \$500
 North German 500
 5. Whitman co., fr barn:
 Royal \$650
 16. Whatecom co., fr shingle mill:
 Svea \$500
 20. Yakima co., fr dwg, etc.:
 Commercial Union . . . \$1,125
 18. Spokane, carpenter tools:
 Palatine \$600
 15. North Yakima, hops in fr
 warehouse:
 Scottish Union \$1,904
 Losses under \$500 . . . \$6,072
 Total Washington . . . \$22,494

Oregon.

14. Albany, dwg:
 Palatine \$600
 11. Jackson co., fr dwg:
 Royal \$2,000
 23. Ballston, fr warehouse and
 contents:
 London & Lancashire . \$2,000
 . . . Union co., dwg and conts:
 Home Mutual \$1,000
 18. (March) Lebanon, fr dwg:
 Connecticut \$500
 15. Portland, dwg and contents:
 Sun, London \$513

18. Pendleton, steam laundry:
 Aetna \$600
 . . . Portland, fr dwg and conts:
 Pennsylvania \$2,500
 2. Portland, grocery stock:
 Norwich Union \$950
 3. Portland, fr bldg:
 New York Underwriters \$500
 9. Waterloo, br and fr woolen
 mill and machinery:
 Palatine \$4,500
 Norwich Union 2,500
 Liv. & Lon. & Globe . . . 2,500
 Hamburg-Bremen . . . 2,500
 Manchester 1,000
 Aachen & Munich . . . 2,500
 Sun, London 1,125
 Lion 2,896
 Orient 1,125
 Ins. Co. North Amer. . . 1,448
 Imperial 2,896
 Total \$24,990
 Losses under \$500 . . . \$6,777
 Total Oregon \$42,930

Idaho.

16. Mullan, quartz mill, etc:
 London & Lancashire . \$4,926
 Scottish Union 1,500
 Home Mutual 1,250
 Springfield 1,231
 Pennsylvania 2,500
 Palatine 5,000
 Svea 2,463
 Aetna 3,694
 Manchester 4,919
 Caledonian 3,423
 Union, Pa. 1,000
 American, Pa. 2,463
 Fireman's Fund 1,250
 Fire Association 2,438
 British America 2,500
 National, Hartford . . . 3,750
 Thuringia 2,500
 Ins. Co. North America 2,438
 Lancashire 2,657
 Teutonia 2,438
 American, N. J. 2,078
 Total \$56,418

7. Ada co., dwg and contents:
 Loudon Assurance . . . \$550
 19. Boise City, bhld furni & dwgs:
 German Alliance . . . \$600
 National, Hartford . . . 600
 9. Kendrick, bldgs, hardware,
 etc:
 London & Lancashire . \$ 500
 Fire Association 843
 Phoenix, London 600
 Ins. Co. North America 1,000
 26. Bellevue, stock, etc.:
 Fire Association . . . \$1,000

15. Wardner, fr hotel and conts:
 Pennsylvania \$ 600
 Western 570
 National 750
 Springfield 750
 Palatine 2,489
 Losses under \$500 . . . \$2,984
 Total Idaho \$70,254

Montana.

12. Great Falls, fr store bldgs
 and contents:
 Aachen & Munich . . . \$1,000
 American, Pa. 1,000
 Phoenix, Hartford . . . 1,500
 American Central . . . 563
 New York Underwriters 1,000
 22. Near Butte, mining property:
 Union, London \$500
 Law Union & Crown . . . 500
 21. (March) Butte City, bldg and
 furni:
 Fire Associat'n of Pa. . \$5,000
 17. Granite co., fr store and gen'l
 mdse:
 Connecticut \$1,200
 27. Belt, fr saloon and lodging
 house:
 Scottish Union \$1,000
 . . . Demersville, fr bldg & mdse:
 Home, N. Y. \$1,500
 Losses under \$500 . . . \$2,473
 Total Montana . . . \$17,236

Utah.

- . . . Eureka, lodging house:
 Atlas \$1,000
 Losses under \$500 . . . \$1,371
 Total Utah \$2,371

Arizona.

4. Congress, adobe and fr bldg
 and contents:
 Phoenix, Hartford . . . \$4,050
 Aetna 5,050
 Thuringia 975
 London & Lancashire . . 1,000
 National 1,650
 Pennsylvania 1,500
 Losses under \$500 . . . \$3,134
 Total Arizona . . . \$17,359

Colorado.

20. De Beque, fr bldg:
 Fire Association . . . \$5,000
 Palatine 700
 30. (March) Telluride, furni and
 fixtures:
 Fire Associat'n of Pa. . \$933
 Losses under \$500 . . . \$3,140
 Total Colorado . . . \$9,773

George M. Mitchell, City Agent of the Home Insurance Company.

The Home of New York has established a new city agency in San Francisco. This is one of the results of the recent "shake up" and separation.

George M. Mitchell, a well known city fire underwriter, has been appointed city agent and will have exclusive control of the San Francisco business of the company.

Mr. Mitchell is a native son. He was born in San Francisco thirty-seven years ago, and was educated in the public and private schools of the city. He is a graduate of the Commercial College. His circle of business and social acquaintances in San Francisco owes something of its size and importance to the fact that he was reared and educated in the city.

Mr. Mitchell began his insurance experience when a lad, in 1876, as a clerk in the office of his father, who is one of San Francisco's oldest brokers. At the age of 21 young Mitchell became a partner in the brokerage business, under the firm name of J. C. Mitchell & Son. In 1885 the young man was placed by Manager Craig in full charge of the city business of the New Zealand. This position he held until last December, when he resigned, to accept the position of manager of the Metropolitan district for the Westchester. For some years, also, Mr. Mitchell has had the city agency for the Transatlantic. On May 1st he was appointed city agent for the Home.

Both Mr. Mitchell, Sr., and Mr. Mitchell, Jr., have been prominent insurance brokers for many years, and have controlled a large and desirable city patronage. Mr. Mitchell, Sr., retired from business in 1887. He is now 77 years old, but enjoys excellent health.

At last accounts the war tax on insurance policies will be as follows: Fire—On each policy or renewal, under ten dollars premium, ten cents; each additional ten dollars, five cents; over \$50 and under \$100, sixty cents; over \$100 and under \$200, one dollar; over \$200, five dollars. Life—Ten cents for each \$100 or fraction thereof insured. Industrial—One

cent for each unit of five cents of premium. Industrial insurance should be excepted entirely from this stamp act. The assessment orders and companies had influence enough to secure exemption. It is evident that several Congressional yaps had a hand in drawing up this measure. The taxing of industrial policies and the exemption of assessment companies are indefensible.

Mr. Smith's Defence of His Definition of Term Insurance.

Editor of the Coast Review:

"Salma Gundi," in *The Chicago Independent*, styles my definition of term insurance given in the recent investigation by Commissioner Clunie as "Mr. Smith's unique idea," and as several other remarks of a similar nature have come to me, I deem it advisable to endeavor to sustain, if possible, the position taken by me on that occasion, by common sense and suitable authorities, and ask for space in your columns to that end.

The law in question recites that certain policies shall be exempt from the stipulated requirements, and those certain policies are mentioned as "tontine, or other term or paid-up insurance." My position in this matter is that the law is perfectly clear in its wording, and that semi-tontine, 20-year distribution and other distribution policies are exempt from the action of said law as they come under the head "term insurance."

The only other position which is at all tenable is that the word "period" used in naming these policies does not mean the same as "term." By referring to Webster, however, we get the following definition: "*Term*, a limited period." It will, therefore, be observed that one word being used to define the other, the two words are as nearly synonymous as any words in the English language, and *absolutely* so far as they are applicable to life insurance, or life insurance policies. Such being the case, there is but one legitimate conclusion, viz.: that a policy with a 10-year tontine period must be a *term* policy.

In 1881, when this law was enacted, but two companies were writing tontine insurance, namely, the Equitable and New York Life; and as tontining changed the ordinary annual distribution policy to one of a definite period or term, it is not to be wondered at that the insurance men of that day made the law read exactly as they did, knowing that as time went on there would be modifications to



GEO. M. MITCHELL,
San Francisco City Agent,
HOME INSURANCE COMPANY, of New York.

be covered, and the law must be made broad enough to cover all. What we know as term insurance or renewable term insurance of this day and generation was then written almost wholly by the *Ætna Life*.

The loose technical terms which are applied now-a-days to various forms of policies are usually but little indicative of their nature; and taking advantage of that position, many a solicitor goes into the field and sells a man a 20-year tontine policy, and that is all the insured knows of his policy—that it has a 20-year term or period to run. He does not know whether it is written on the ordinary life, 20-payment life, or 20-year endowment rate; therefore, the *term* is the important feature of the contract, and the name which fixes the rate really means nothing. In other words, the original policy loses its identity in a measure.

To verify these opinions, I need only refer to the literature of the various companies and the different text-books furnished by the various authors on insurance; and although the testimony of Mr. James Munsell, Jr., general agent of the Mutual Benefit Life Insurance Company, does not in any sense tally with mine, I have only to quote from a document which he has been distributing for a number of years to verify my position, for at the head of the document he refers to tontine insurance as “long *term* distribution.”

Jacob L. Green, president of the Connecticut Mutual Life, in an article published in 1886, writes as follows: “The 5-year distribution, reserve dividends, 5-year dividend policies, etc., of other companies, are all *short term* varieties of semi-tontines.”

It is not to be wondered at, however, that life insurance men should disagree very materially on these points, for in a book entitled “How to Buy Life Insurance,” published by J. H. Lewis, of Denver, Colo., we find the following heading: “Assessment insurance is term insurance.”

Taber does not use the word “term” as indicating any particular form of policy, but does define a “term life” as one made payable only on the death of the insured within the term designated. He also defines “renewable term-life,” but nowhere in the treatise does he define “term insurance” by itself. Furthermore, his definition of endowment insurance is “term insurance combined with a compound interest investment.”

Eldridge makes the following statement: “The three species of insurance contracts above explained, namely, “whole life,” “en-

dowment” and “term,” embrace the entire range of contracts possible to a life insurance company. This might seem to be at variance with Taber’s views, except that on the same page the last writer uses the following language: “The 10-year endowment policy being the shortest practical *term* for endowment insurance,” which makes it quite plain that in reality he has but two instead of three classes primarily from which all other forms are drawn, and this brings the whole proposition back to my definitions on page 103 of the report:

“We divide life insurance primarily into whole life insurance and term or period insurance.”

In writing of tontine insurance of various kinds, the same author expresses himself as follows: “Here came in the great principle of deferred dividends, by which the companies retain the accumulations of profits until the end of a specified *term of years*.”

I have no doubt from the very brief consideration I have given this subject that I might continue these proofs indefinitely, but time and space forbid. Beyond question, my colleagues will admit that the 10-year renewable term policy as written by the *Ætna* is *term* insurance.

Such being the case, let us see how it differs from a 10-year tontine policy. A 10-year renewable term policy is written at a given rate for 10 years; at the end of that term the insured may continue at another rate reduced by the surplus from the first ten years.

A 10-year semi-tontine is written at any given rate, and at the end of its term of ten years the insured has the option of continuing it at the former rate, reduced by the surplus from the first ten years and its regular share of the annual surplus thereafter, and other options.

There is, therefore, no term element in the one that does not appear in the other, although the latter, being written at a higher premium, has more surplus to deal with, and can offer more options; but this should not mystify our senses to such an extent as to cause us to lose sight of the term element.

The fact is that not one of the actuaries whose works I have examined, in writing on this subject, applies the word “term” insurance as it is commonly applied by life insurance men now-a-days. For instance, a policy which runs for ten years with a premium charge but sufficient to carry it for ten years, and with but reserve enough to maintain the policy during those years, is known as a “10-

year term policy" in common life insurance parlance, but among the actuaries this is known as "temporary" insurance, which it really is.

In one of the Hon. Elizur Wright's works we find the following: "The public still seems unaware of the advantage of *temporary* insurance, especially of terms sufficiently extended to cover the whole of the active or productive period of a life."

In the "Institute of Actuaries Text Book" will be found expressions like the following: "We may have deferred, temporary, and intercepted assurances."

"The temporary assurance is the whole-life assurance less the deferred assurance."

"The single premium for an assurance, temporary for (n) years."

"Since an endowment assurance is simply a temporary insurance together with an endowment . . .," etc.

But nowhere is any reference made to "term" insurance as a kind or class of policy.

From the foregoing it would seem quite clear that there is no such thing as "term insurance" considered as a special kind of insurance; that any policy which has a term of settlement has the elements of term insurance in it, to a greater or less degree, and as "temporary" insurance, endowment insurance, tontine and semi-tontine insurance all have this feature of settlement at the end of a given term, taking up newer and changed conditions, the one is as much a term policy as either of the others.

CLARENCE M. SMITH.

SAMPLE MUTUAL FIRE INSURANCE.—An Iowa mutual fire insurance company's constitution provided that thirty days' failure by a member to pay an assessment should avoid the insurance during delinquency, but that the member should not be liable for such delinquent assessment, and for any other assessment levied while the delinquent assessment was due, or in process of collection. In an action on the policy (73 N. W. Rep. 597), the supreme court held that an assessment made subsequent to delinquency would not estop the company from insisting on the forfeiture in case of loss during delinquency, and acceptance of the delinquent assessment after loss of part of the property insured was not a waiver of the forfeiture as to the property burned, because the policy was still in force as to the remainder of the property, being merely suspended, and the member had a

right to revive it by paying his delinquent assessment. Moral: beware of mutual fire insurance.

ELECTROLYSIS.—It having been proved that electricity has caused the destruction of the water pipes of the city of Chicago in many places, there has been started the scare that the same cause is silently causing the more or less rapid disintegration of the foundations of the tall buildings in this city. General Sooy Smith, who is high authority on foundations generally, asserts that he has found by investigation unmistakable evidence that eletrolysis has begun in the case of at least one of the skyscrapers. He says that it would not be proper for him to state what building is affected, but that it is sufficient to state that the evidence is present.—*Black and White*.

DROUGHT YEAR.—The season in California has been exceedingly dry, and the interior valleys have suffered from actual drouth. Rains have occurred in May, however, and the reservoirs are once more full. This is good from an insurance point of view. The damage to wheat and hay crops in many localities has been enormous, and insurance receipts have been sensibly affected thereby. Large areas, however, are irrigated, and crops generally are diversified, so that the dry season has not been nearly so damaging to the State as a whole as a similar season would have been a few years ago. The specials are looking carefully after the moral hazard, which is not bad now, but may be later in the season. The late rains have reduced, or made normal, the physical hazard.

A San Francisco machinist has invented a new water tower. It is said to be a great improvement over the Eastern tower—lighter, with greater extension and freedom of movement. Metal tubing has been substituted for cotton-hose in the vertical tower. The tower may be inclined in either direction. Henry Gorter is the inventor.

A New York commercial paper prints a long list of names of swindlers in Holland. Among them are A. P. J. Meijs, insurance agent, Amsterdam; L. H. Prins, of the "Onderlinge Nord Hollandsche Vee-Verzekeringmaatschappij" (cattle insurance company).

Batterson to McNall: "We hoped that by retiring from Kansas, your uncanny fingers would cease plucking at our till."

State and Territorial Insurance Department Officials.

Alabama, James K. Jackson, commissioner, Montgomery.
 Arizona, C. W. Johnstone, treasurer, Phoenix.
 Arkansas, Clay Sloan, auditor of state, Little Rock.
 California, Andrew J. Clunie, commissioner, San Francisco.
 Colorado, J. F. Vivian, deputy superintendent, Denver.
 Connecticut, Frederick A. Betts, commissioner, Hartford.
 Delaware, Edward Fowler, commissioner, Laurel.
 District of Columbia, Matthew Trimble, assessor, Washington.
 Florida, James B. Whitfield, state treasurer, Tallahassee.
 Georgia, William A. Wright, comptroller-general, Atlanta.
 Idaho, George H. Storer, state treasurer, Boise City.
 Illinois, J. R. B. Van Cleave, superintendent, Springfield.
 Indiana, Americus C. Dailey, auditor of state, Indianapolis.
 Iowa, C. G. McCarthy, auditor of state, Des Moines.
 Kansas, Webb McNall, superintendent, Topeka.
 Kentucky, William Stone, commissioner, Frankfort.
 Louisiana, John T. Michel, secretary of state, Baton Rouge.
 Maine, Steven W. Carr, commissioner, Augusta.
 Maryland, F. Albert Kurtz, commissioner, Baltimore.
 Massachusetts, Fred. L. Cutting, commissioner, Boston.
 Michigan, Milo D. Campbell, commissioner, Lansing.
 Minnesota, Elmer H. Dearth, commissioner, St. Paul.
 Mississippi, W. D. Holder, auditor public accounts, Jackson.
 Missouri, Ed. T. Orear, superintendent, Jefferson City.
 Montana, T. W. Poindexter, Jr., state auditor, Helena.
 Nebraska, J. F. Cornell, auditor public accounts, Lincoln.
 Nevada, C. A. LaGrave, state comptroller, Carson City.
 New Hampshire, John C. Linehan, commissioner, Concord.
 New Jersey, William Bettie, commissioner, Trenton.
 New Mexico, Marcelino Garcia, auditor, Santa Fe.
 New York, Louis F. Payn, superintendent, Albany.
 North Carolina, Cyrus Thompson, secretary of state, Raleigh.
 North Dakota, Frederick B. Fancher, commissioner, Bismarck.
 Ohio, Wm. S. Matthews, superintendent, Columbus.

Oklahoma, William M. Jenkins, commissioner, Guthrie.
 Oregon, Harrison R. Kincaid, secretary of state, Salem.
 Pennsylvania, James H. Lambert, commissioner, Harrisburg.
 Rhode Island, Albert C. Landers, commissioner, Providence.
 South Carolina, L. P. Epton, comptroller-general, Columbia.
 South Dakota, L. C. Campbell, commissioner, Pierre.
 Tennessee, Ed. B. Craig, commissioner, Nashville.
 Texas, Jefferson Johnson, commissioner, Austin.
 Utah, J. T. Hammond, secretary of state, Salt Lake City.
 Vermont, C. W. Brownell, Jr., and H. F. Field, commissioners, Montpelier.
 Virginia, Morton Marye, auditor public accounts, Richmond.
 Washington, Will D. Jenkins, commissioner, Olympia.
 West Virginia, L. M. Lafollette, deputy auditor, Charleston.
 Wisconsin, William A. Fricke, commissioner, Madison.
 Wyoming, William O. Owen, state auditor, Cheyenne.

Press on Clunie.

At the risk of pleasing Clunie the unique, we copy the following from the *Post Magazine*:

Swinging his legs on the Golden Gate,
 Sat Clunie, the lunie, with his big pate
 Swelled, thro' conceiving great gains for his State
 Sang be: "They must pay: I'll have my way,
 Notwithstanding whatever the lawyers may say:
 With a blow from my fist and a twist of my wrist,
 The Law Union's gone down with a crack on its
 Crown;

And I've ordered a shroud for each one of the crowd
 Who have been in arrear for this many a year
 In paying a tax, which its collection's been lax;

But I'm now on their tracks,
 So look out for whaeks."

Mr. Clunie of California has added himself to the galaxy of song and dance insurance commissioners now infesting certain immature communities that are included within the borders of our country and that assist in the composite presentment of our mental and moral progress as a nation. We hardly know whether to credit the press reports which bring this information to us. Perhaps Mr. Clunie has suddenly dropped the first letter of his name. Whatever may be the explanation of the outbreak it seems evident that here is another unconscious instrument acting as a promoter of the reform that is necessary and inevitable.—The Surveyor.

Five exchanges were the "first" to "expose" the Guarantors. Each is subsidized by the Mutual Reserve Fund.

London & Lancashire Fire Insurance Company.

LARGE GAINS IN ASSETS AND SURPLUS FUNDS—A VERY PROSPEROUS YEAR—INCREASED PREMIUMS AND DECREASED LOSSES.

The recent thirty-sixth annual meeting of the shareholders of the London & Lancashire Fire Insurance Company was a happy affair, for the chairman was able to present an exceedingly creditable balance sheet, showing a very prosperous year and amply warranting the payment of increased dividends. After paying \$40,000 out of the profits for the purchase of a Colonial company, the sum of virtually \$500,000 was added to the reserve, bringing it up to about \$5,000,000.

The net fire premium receipts for the year were \$4,199,850, which is an advance over the preceding year. The losses paid and outstanding, which include the two conflagrations in Melbourne and London, were only \$2,092,895, or less than 50 per cent. of the premiums. This left a very handsome balance on the year's underwriting account, contributing largely to the extraordinary addition of nearly \$700,000 to the gross assets.

The present position of the London & Lancashire is one of unusual strength. Of the seven million assets, considerably over half is surplus as regards policyholders. The net surplus over capital and all liabilities is \$2,700,000. The cash capital exceeds a million, while the subscribed capital exceeds ten million. American policyholders have the special protection of \$2,863,378 invested in this country, and of this goodly sum over a million is surplus over liabilities. The company is therefore strong here as well as at home.

On the Pacific Coast the London & Lancashire, under the management of Wm. Macdonald, assisted by D. E. Miles, holds a prominent place in fire underwriting. It leads all companies in San Francisco premiums. It stands at the head of foreign companies in California premiums.

Fidelity Mutual Life Association.

A fictitious prosperity places this Philadelphia association in a false light. Its increasing insurance in force produces figures which conceal its real condition. If similar associations, now on the decline or in receivers' hands, had not presented similar evidence of an alleged prosperity, one might hesitate before questioning such fair-seeming testimony. The theory of the "plan" may be beautiful, but the Fidelity Mutual Life Association must confront the same conditions which recently destroyed the Massachusetts Benefit Life and now shake the frail foundations of the Mutual Reserve Fund and the Covenant Mutual of Galesburg.

The rates of this Philadelphia association are insufficient to meet life contracts, but no doubt they permit the accumulation of funds which will postpone the tempest and which enable the management to make an attractive but deceptive showing of resources. When we remind the reader that for the first few years the mortality cost in life insurance is less than the "level" premium and in after years is more, the ability of the Fidelity Mutual Life to do business for some time at insufficient rates will be conceded. The rates may be sufficient in the early years of the contract, but they are insufficient for the span of life.

So much being clear, the glamour of the Fidelity Mutual's proposition disappears. It stands out in plain dress as merely an offer to furnish "term" or limited time insurance at rates which may be much too high, with security far from excellent. Term insurance in a legitimate company, or even a policy in any one of half a dozen assessment associations which we might name, would be preferable, on the ground of less cost, for one thing, and of better indemnity, for another.

The "literature" of the Fidelity Mutual Life is not creditable to the management. It is not honest, and it lacks even the ingenuity usually characteristic of the low cunning which certainly inspired the

specimen before us. The statement that some of the life companies would be insolvent "if called upon to put up their reserve without using dividend accumulations," is simply a bare falsehood which has not even the merit of originality. The assertion that the Fidelity Mutual "gives better security" than an old line company should provoke only laughter.

The Examination.

Examiners from several State insurance departments recently looked into the affairs of the Fidelity Mutual. They deducted about one-eighth of the claimed assets. They refused to admit \$201,026. Among the items were "loans on policies unsecured by value," and \$141,226 unsecured ledger balances. The association is criticised for not acknowledging in its annual report \$162,250 borrowed money.

The examiners also question the wisdom of investing so much money in the home office. One-half the entire assets are sunk in this "white elephant." It will be recalled that a similar disproportionate investment was one of the causes of the downfall of the Charter Oak Life. The examiners mildly say: "This is a large proportion to put into a single enterprise." The present net result is less than 3 per cent. on the investment. "It was found necessary to make some addition to the statement of liabilities, to-wit: \$20,000, to claims for deaths reported; \$22,750 for estimated cost of settling contested claims; and \$8,326 for accrued accounts."

The expense fund for the year under consideration was exhausted. "This has been its usual condition," say the examiners, "and frequently deficiencies have occurred, aggregating about \$100,000. These deficiencies have been charged up to one of the reserve funds." Although the right of the association to do this is questioned, the examiners did not think it well to charge the deficiencies back to the expense fund.

The fact that the association has been in the habit of charging expense deficiencies to a reserve fund leaves the policyholders ignorant of the real expense of

management. The association is not dealing fairly with its policyholders in this matter. The examiners allow themselves to plainly say: "It is inequitable that this special contingent fund should be made to bear deficiencies caused by other members. The practice should cease."

Complaint is made that the books of the association are not well adapted to purposes of examination, and consumed much time in tracing entries from one book to another and in identifying the corresponding papers.

The examiners further say of the expense fund:

"As expense fund is depleted, it is plain that the \$254,218.77 of agents' ledger balances (\$141,226.72 of which is not secured by bonds) are advanced from reserve funds belonging to policyholders as security for paying future claims. As these reserve funds are necessary and not in the nature of surplus, their investment in agents' debit accounts, although bearing a good rate of interest, seems unwise. It is true that losses occurring on said accounts are charged up to expense fund, which in that sense guarantees the investment; but there is no guarantee that the expense fund will be able to meet all such losses which may occur under by-laws which permit its expenditure for other purposes. Besides, such investment of reserve funds is contrary to the statutes of some States and should be in all. The association should charge enough expense element with its premiums to provide for agency expenses and advances, or restrict such disbursements within its actual expense receipts and expense fund accumulations."

Delivery.

Where the policy is completed, and the insured notified thereof, it need not be actually delivered to him.—*Phoenix Assur. Co. v. McAuthor*, 22 So. 903.

BIG BLUNDER.—The Louisville *Herald* prints as "death claims last year," paid by thirty-one life companies, some very large figures which were probably intended for death claims paid since organization. *Insurance Agent* falls into the same error by copying them. An illustration of our Louisville contemporary's blunder is as follows: "Death claims paid by the Mutual Life last year, \$191,199,993." The correct figures are \$13,278,630, which is large enough, and the largest amount of death claims paid by any company in the world.

Chips.

—The Washington Life is writing a very liberal war policy.

—The National-Springfield-Dornin "nine" are the insurance baseball champions.

—E. L. Thompson, Northwest special of the North British, is visiting General Agent Grant.

—Five clerks in the office of Manager Bennett of the Scottish Union and the Lion, Hartford, have enlisted.

—Your chance for employment in the Philippines, etc., is duly and explicitly set forth in a card at the bottom of "chips."

—A. R. D. Paterson of Portland, Or., superintending special in the Pacific Northwest for the Sun and Orient, has been spending a few days with General Agent Callingham.

—Conover & O'Brien have been appointed agents for the Standard Life & Accident Ins. Co. at San Diego, Cal. Eusign & Johnson have been appointed agents for the company at San Jose.

—The Dayton foundry people violated their contract by storing eight tons of calcium-carbide on the premises, though allowed only 150 pounds. But the companies paid the loss. Moral: pay no attention to policy restrictions as to storage of explosives. One company is certain to pay, and the rest will follow suit.

—The Manhattan Life Insurance Company gives its old and new policyholders free permission to serve in the army or navy within the limits of the United States. Should they serve outside of said limits, they must pay an annual extra charge per thousand. The old policyholders may allow this to remain as a lien against their policy, but new policyholders must pay it in cash.

—A resolution adopted by the Chicago Underwriters' Association provides for increased rates on property written by non-resident agents, as follows: "Resolved, That whenever it shall come to the knowledge of the executive committee that insurance is being placed on property in this county by non-resident agents and brokers in companies that have not complied with the laws of the State of Illinois, and in violation of said laws, thereby avoiding all taxation, they be authorized to instruct the superintendent of ratings to increase the rate on such property 50 per cent."

—The National Association of Locals meets in Detroit in second annual session July 15.

—R. D. Hunter, Oakland, retains the agency for the Home for Alameda, Berkeley and Oakland.

—H. C. Keller of the Westchester has returned from an extended trip through southern California.

—L. F. Lamping, special agent of the Thuringia in the Northwest, is spending a few days with Manager Conrad.

—J. D. Coleman, the newly appointed general agent of the Home of New York for the Pacific Northwest, was in 'Frisco last week, when the details were arranged with Vice-President Snow as to the conduct of the business of the Home in Mr. Coleman's field.

—President Skilton and Chief Accountant Brower of the Phoenix of Hartford, and Vice-President Snow and Assistant Secretary Correa of the Home of New York, are spending a few weeks in this city arranging the details of the separation of the Home and Phoenix in the Pacific department.

—L. E. Neergaard, formerly with the late S. E. Mulford, manager N. W. Pacific department of the Manhattan Life, has removed to California to accept a position as district superintendent of agencies for California in the Southwest Pacific department of the Manhattan Life Ins. Co., and under the management of John Landers.

—Manager Folger of the Phoenix, being quite a young man, is organizing his field force by the appointment of young men to positions on his staff. As we go to press Mr. Folger makes the following announcement of specials, all of whom are experienced office men, and some of them have had considerable field service: L. W. Knight, formerly with the Hartford office, has been selected as special, and will work in the Pacific Northwest. W. C. Calder, who has been with the New Zealand in Oregon, will do special work for the Phoenix in Oregon. Thos. H. Williams, who has been in the service of the German-American as special and adjuster, will do special work and adjusting in California for the Phoenix. E. R. Thompson of the Atlas office will look after the Phoenix business in northern California and Nevada. J. W. Warner, for some time with Home and Phoenix, will do special work in the Bay counties in California. Other specials for the Phoenix will be announced in our next issue.

—Lesley Bates of the Gutte & Frank agency is nosing around South.

—W. J. Callingham has been confined to his bed for a few days, with a bad cold.

—The Germania Life is issuing free war permits to all people holding policies in the company.

—R. P. Fabj, special agent of the Fireman's Fund in the Northwest, was in town last week.

—For the second time the mining town of Randsburg, Cal., has been burned. No water, no insurance.

—Since the growing grain crop is short, some venturesome offices are disposed to find out the profit of "growing hay."

—An Anaconda plumber examined an acetylene generator with a lighted candle, sometime after he had let out the gas. He has no fault to find with his treatment at the hospital.

—Max A. Wesendonck, second vice president of the Germania Life Insurance Company, paid a short visit to W. A. Jacobs & Son, managers of the Pacific Coast department of the company, last week.

—W. A. Jacobs of the Germania Life, who has just recovered from a severe attack of pneumonia, has gone to Los Angeles and southern California, hoping to be benefited by the change of climate.

—The City Trust, Safe Deposit & Surety Co. of Philadelphia has appointed Edward E. Potter resident secretary and manager, Henry Wadsworth vice president, and Fred'k S. Stratton attorney, for the State of California.

—**BEAUTIFUL SKY-SCRAPER.**—The Washington Life's new building is now so far complete that tenants are moving into parts of it, although considerable of the finishing work remains to be done. Unlike many of the tall buildings that have been uplifted in the town during the last year or two, this is a noble piece of architecture to look at. It seems entirely practicable to combine beauty with utility in building, and the wonder and the pity is that the former should so often and needlessly be subordinated to the latter. It is a pleasure to think that one of the handsomest business structures in New York is likely also to prove a paying investment.—*Insurance.*

—Chas. W. Knox & Co. have been appointed agents of Sun and Orient at San Jose, Cal.

—The largest surety company in the world is American, and properly named the American Surety.

—Many well known insurance people are taking a course of physical culture or muscle training just now under the direction of a professional trainer.

—Term insurance in life insurance, as understood by life insurance men, ought to be plain; but the definitions given at the inquisition, printed elsewhere, do not agree. Eleven stubborn jurymen failed to agree with the twelfth.

—Manager Benjamin J. Smith of the Connecticut was on the 20 ult. married to Miss Margaret Cameron of Oakland, well known in musical and educational circles of that city. After a brief "tower," Mr. Smith is again in the "managerial chair."

—H. M. Grant has been appointed special agent and adjuster by Manager Tyson for the companies represented by him. Mr. Grant will make headquarters at Portland, Or., and will give special attention to Mr. Tyson's companies in the Northwest field, where he has had long experience.

—No Sprinklers.—Amongst those which were not protected is the cotton spinning factory owned by the New Hall Spinning Company, Elm Street, Burnley, which was burnt out in two hours and a half from the starting of the fire. The mill was one of the usual and theoretically fire-proof pattern, of iron, brick, and cement, no timber being used in either floors or roof except in the actual boards covering the floor and the window frames. The fire commenced at mid-day, and under the best conditions for fighting a fire; one of the mule head stocks on the third floor became over-heated, and the fire spread so rapidly that the workpeople were soon driven out. The floors of the mill broke up, and the result was ruin. If these mills had been supplied with sprinklers the fire would have been put out in the first quarter of an hour. But there were several grave defects of construction in this building, defects which are common, we fear, in too many so-called fire-proof buildings. The cast-iron columns expanded with heat and then contracted when water was thrown upon them. The girders lifted in the middle, thus displacing the brick arches.—*Review, London.*

—Special Agent H. H. Smith of the Union has returned to town. E. B. DeGolia has gone to southern California and Arizona.

—News!—According to a Chicago insurance weekly, a Salt Lake policyholder of the N. W. National is going "to bring action against the Pacific board." Oh my!

—Berkeley.—The new University reservoir, with 300,000 gallons of water, is now in operation. Pressure is sufficient to throw a stream over the highest building.

—Owing to the death of Mrs. Clunie, the April *Coast Review* was silent as to the detestable Clunie. Our consideration was undeserved! Clunie dare not ask us to say why.

—The New England Mutual Life announces: "All present members of the company will be given liberty for one year to engage in the military or naval service of their country, by land or sea, without additional premium therefor."

—To LOCAL AGENTS.—Take part in political conventions and work against the enemies of insurance. "Politics is business." Favor nominees who will deal fairly with insurance interests. Be candidates for the legislature yourselves.

—Wolf & Bro. Case.—First National Bank, Portland, v. Ins. Cos. Oregon supreme court. Defence, in effect, that policyholders set or caused to be set fire to the premises. Opinion by Wolverton, J. Case of H. Wolf & Bro. Judgment for defendant companies affirmed.

—Lest he be forgotten, the "towing" Clunie telegraphed to the *Morning Warhoop*, from the East, that he would "cancel the license of the company" if it did not forthwith and instantly pay a disputed claim. Being under the impression that the courts have greater authority than even the great Clunie, the company has not yet paid what it deems an unjust and excessive claim.

—The Northwestern National got a smell of the Los Angeles city business, on a pledge to reinsure most of it. The Milwaukee company, moreover, had to cut rates to get it even on those conditions. Now what we would like to know and print is the names of the reinsurers. It is hardly possible that the rate-cutters are board companies, but the refusal to divulge the names heightens curiosity. Whoever reinsured the Northwestern National is ashamed to acknowledge it.

—President Heald of the Home of New York celebrated his 80th birthday a few days ago.

—F. M. Mathena has been appointed general agent of the Connecticut Mutual Life at Portland, Or., vice F. M. & J. W. Mathena.

—Both the *Ætna* and the *Liverpool & London & Globe* offer their National Guard employees the privilege of enlisting, with the promise of their places when they return and their salaries meantime.

—A. F. Fitzgerald, local agent, has been elected treasurer of San Luis Obispo, Cal. Mr. Fitzgerald polled the largest vote. We are glad to see local agents take part in politics. The legislature would be much improved in character if about fifty members were insurance men.

—The *Coast Review* apologizes to McNall for ever likening Clunie to him. Compared with Clunie of California, McNall of Kansas is a decent and honorable man. We know more about Clunie to-day than we did yesterday; and Clunie dare not challenge us to print this information either. If he does, we shall print. Clunie is an execrable wretch.

—We have been holding back the decision of the supreme court of California in a case where Andrew J. Clunie, now insurance commissioner, was defendant. We have been waiting for the decision of Judge Morrow, in the mandamus proceedings. As the judge's decision is now virtually prepared, one way or the other, we feel at liberty to reprint this old case in the May *Coast Review*.

—MANCHESTER FIRE.—Under its present management the Manchester Fire Assurance Company has shown a distinct partiality for the acquiring of small and sound fire offices, the number that the company has taken over during the last two years constituting something like a record for such a period. With judicious selection this is one of the best ways in which a company's business may be developed and its prosperity increased, and so far the Manchester Fire appears to have shown much discrimination in its purchases. During the past year the company took over the Commercial Fire Insurance Company, of Cape Town, and also acquired the good will and business of the American Fire Insurance Company of New York. By the acquirement of these two companies the premium income of the Manchester has been increased from £731,488 to £850,000, the highest figure it has ever reached.—*Insurance Observer*, London.

THE COAST REVIEW

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Pacific Mutual Building, San Francisco.

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No. 6

Annual Statements in This Year's Coast Review.

<i>Ætna Life</i>	February
<i>Alliance</i>	May
<i>American, N. J.</i>	June
<i>Atlas</i>	May
<i>Commercial Union</i>	June
<i>Connecticut Mutual Life</i>	March
<i>Connecticut Fire</i>	April
<i>Equitable Life</i>	February
<i>Fireman's Fund</i>	January
<i>Franklin Fire</i>	February
<i>German-American</i>	April
<i>Hartford Fire</i>	January
<i>Home Life</i>	February
<i>London & Lancashire</i>	May
<i>Magdeburg</i>	May
<i>Manchester</i>	June
<i>Massachusetts Mutual Life</i> . . .	February
<i>Milwaukee Mechanics</i>	March
<i>Mutual Benefit Life</i>	March
<i>Mutual Life</i>	February
<i>National Fire</i>	February
<i>New England Mutual Life</i>	April
<i>New York Life</i>	February
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<i>Orient</i>	April
<i>Pacific Mutual Life</i>	February
<i>Royal Exchange</i>	May
<i>Springfield Fire</i>	February
<i>Union Central Life</i>	March
<i>Westchester Fire</i>	March

This Year's Index for Life and Casualty Men.

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Ætna Life Suit Settled	May
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American Legion of Honor	May
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Authorized Assessment Ass'ns in Cal. .	February
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California Life Business	January
California Life Business (9 years) . . .	March
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Employers Liability Assurance Corpora'n	March
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Home Life Insurance Co.	February
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Mutual Reserve Fund	March
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Voorsanger on Life Insurance	January
War Permits	May
Washburne, Receiver, and His Game	April
Washington Co-operative Life	April
Western Mutual Life	June
World's Life Insurance	January

—The Hillmon swindle claims are still in the United States courts.

—United States Manager Guile of the Sun is in Europe, on a three-months' trip.

—Remember that whenever you see an insurance item in a daily print there are nine out of ten chances that it is untrue.

—Commissioner Clunie has been visiting home offices in the East, but our enterprising exchanges print no hint of the real occasion of unique commissioner's visit East.

—A local Kansas company is selling its rate-book, with the approval of the State insurance purveyor. There are more ways than one of collecting a fee from insurance companies.

Our Digest of Recent Insurance Decisions.

Fire.

Other Insurance.

Where an agent of a fire insurance company, who has authority to issue policies and to indorse thereon, consents to other insurance, delivers, without indorsing any consent, a policy containing a provision that it shall be void if other insurance is effected unless the consent of the company is indorsed thereon, his knowledge that the insured intends to effect other insurance does not constitute a waiver of the provision of the policy on the subject.—Judgment (1895) 32 N. Y. S. 424, 84 Hun. 504, reversed.—Gray v. Germania Fire Ins. Co., 49 N. E. 675, 155 N. Y. 180.

Vacancy.

The occupant of the house insured commenced to move out at 9 o'clock A. M., and intended to complete the removal of his household goods in the afternoon. At noon of the same day, the house was destroyed by fire. The goods that were not taken were not left because they were not needed. Defendant was notified that the house would be vacant that evening. There was nothing to show the occupant was not proceeding expeditiously in the act of removal. Held, that the building was not vacant so as to avoid a policy containing the condition that, in case the premises became vacant or unoccupied, the policy would be void.—Insurance Co. of North America v. Coombs, 49 N. E. 471.

Fireworks.

An adjuster twice told insured, after the loss, that his policy had been forfeited by his keeping fireworks on the premises, but offered to pay a certain sum in compromise. The offer was refused, and the adjuster stated in reply to a question that he would insist upon strict proof of loss. Held, that any forfeiture by keeping the fireworks was not waived by the adjuster's reply, the policy providing that the loss should not be payable until proof was furnished.

In an action on a policy it appeared that it was issued by a firm as agent, and

that one of them bought fireworks from the insured at his store, and knew that he kept them. There was no evidence that such member was the one that issued the policy. Held, no such proof of waiver of condition forbidding the keeping of fireworks as rendered erroneous submission of other evidence of waiver harmless. *Phoenix Ins. Co. v. Flemming*, 44 S. W. 464.

Cancellation.

A policy provided that it could be canceled at any time by the company giving five days' notice, and that upon such cancellation the unearned portion of the premium should be returned to the owner of the policy. Held, that the repayment of the unearned portion of the premium was not a prerequisite to the cancellation of the policy if the company offered in its notice of cancellation to return the same on demand and surrender of policy.—*Backus v. Exchange Fire Ins. Co.*, 49 N. Y. S. 677.

Chattel Mortgage.

A chattel mortgage on partnership property, given by one partner to another to secure advances to the firm, does not operate as a violation of a clause in an insurance policy on the firm property, providing, "If any change take place in the interest, title or possession of the subject of insurance, or if the subject of insurance be personal property, and be or become incumbered by chattel mortgage," the policy shall be void.—*Moulton v. Aetna Fire Ins. Co.*, 49 N. Y. S. 570, 25 App. Div. 275.

Three-fourths Clause.

A condition in a policy limiting the total insurance to three-fourths of the cash value of the property insured, is reasonable when applied to a valued policy, but in an open policy on a stock of goods should not be enforced.—*Ramsey v. Philadelphia Underwriters' Ass'n*, 71 Mo. App. 380.

Marine.

A time policy of marine insurance on the freight of a ship against risks which included perils of the sea, contained the clause, "Warranted free from any claim consequent on loss of time, whether arising from a peril of the sea or otherwise." The ship, in pursuance of a charter party, loaded a cargo, and sailed; and on the following day her mainshaft broke, by reason of perils of the sea. She was towed back to the port of loading, and it was there found that the delay necessary for the repair

of the damage would frustrate the object of the adventure, and the charterers, as they were entitled, determined the charter party, and the ship-owners lost the freight. Held, that the loss of freight was consequent on loss of time arising from a peril of the sea, within the meaning of the clause, and that the underwriters were not liable under the policy.—*Pensaude v. Thames & Mersey Marine Ins. Co.* [1896] App. Cas. 609.

"On Deck."

Plaintiffs, who had insured a cargo of damaged cotton, reinsured the same with defendant, but did not inform him that it was damaged cotton. The slip contained the terms, "Cotton on deck, f. p. a. etc., including jettison and washing overboard." The policy of reinsurance tendered defendant for signature differed from the slip, for instead of the words "f. p. a. and c. etc.," it was "f. p. a. etc., as in original policy," and in that policy the risk was described as "f. p. a., but including risk of jettison and washing overboard"; but he signed it without inquiry or objection. The quantity of cotton insured "on deck" amounted to £7,500. Held, that the instructions, being to insure such a quantity "on deck," clearly showed that it was damaged cotton, and that, under the circumstances, there was no concealment.—*British & Foreign Marine Ins. Co. v. Sturge*, 77 Law T. (N. S.) 208.

Life.

A policy payable to the wife of the assured, which stipulates that it "is issued and accepted upon express conditions that" the assured "may, with the consent of the company, at any time assign it, or, before assignment, change the beneficiaries therein," may, with the company's assent, be surrendered, and in its stead a paid-up policy taken, payable to a person other than the wife, she having paid none of the premiums.—*Bilbro v. Jones*, 29 S. E. 118.

Simultaneous Death.

The assured assigned a life policy to his wife, with a limitation over to his heirs, "in case of the death of said assignee before the policy becomes due." The policy was conditioned to pay the sum assured to the beneficiary "in sixty days after the notice and proof of death of the assured." The assured and his wife were accidentally killed at the same time. Held, that the policy was not "due" at the death of the wife, but 60 days later; and hence the proceeds of the policy passed to

the heirs of the assured, and not to the wife's representative.—*Northwestern Mutual Life Ins. Co. v. Greiner*, 75 N. W. 187.

Drinking to Excess.

The insured was found in bed, partly undressed, with a pistol-shot wound in his heart, and his pistol lying on the floor, about eight feet away. He was under indictment for embezzlement, and had been drinking, and had been suspended from employment, and had expressed a dread of the coming of the next day. Held not sufficient evidence of suicide to warrant the directing of a verdict for defendant.—*National Union v. Thomas*, 10 App. Dec. 277.

The knowledge of a fraternal life insurance company, through its officers, of a member's excessive drinking, long prior to the time he was expelled therefor, does not estop the company, in a suit on the policy, from setting up the expulsion, since the terms of the certificate provided that it should become void if the holder drank to excess, so as to permanently injure his health.—*Kempe v. Woodmen of the World*, 44 S. W. 688.

Assessments by Mail.

A provision in a policy requiring payment of assessments in cash at its office in a distant State is waived by habitually accepting good checks in lieu of cash.

When a company invites patrons to transmit premiums by mail, and gives express directions in relation thereto, it will be inferred that the company intended to accept as payment funds mailed to it in time to reach its office, in due course, on or before the day such premium would fall due.—*Hartford Life & Annuity Ins. Co. v. Eastman*, 74 N. W. 394.

Insurable Interest.

Where a policy is payable to the personal representative of the insured, the fact that the premiums are paid by one who has no insurable interest, under the belief that the insurance is for his benefit, does not render the policy void.—*Prudential Ins. Co. v. Cummins' Adm'r*, 44 S. W. 431.

A husband assigned to his creditor, to pay an antecedent debt, an insurance policy on his wife's life, which, on the death of the wife, was paid to the creditor, the husband claiming no interest. Held, that an attaching creditor of the husband had no standing to claim that the policy was a wagering contract, or to attach the funds in the hands of the person to whom it had been paid by the

insurance company.—*Wheeland v. Atwood*, 20 Pa. Co. Ct. R. 367.

Contract.

The insurer cannot escape liability on the ground that its agent signed the name of the insured to the application, provided he did so by authority of the insured.—*Prudential Ins. Co. v. Cummins' Adm'r*, 44 S. W. 431.

Unless the parties to a contract of insurance intended otherwise, the place of performance will ordinarily be deemed to be the place of the contract.—*Bottomley v. Metropolitan Life Ins. Co.*, 49 N. E. 438.

One may have an insurable in real estate though it has been sold at judicial sale, while such sale remains unconfirmed, as the title is not divested until the confirmation of such sale.—*Slobodisky v. Phenix Ins. Co.*, 74 N. W. 270.

Where a life policy contains no condition of forfeiture for non-payment of premiums, default in the payment of any premium after the first does not forfeit the policy, in the absence of notice by the company.—*Union Cent. Life Ins. Co. v. Morrow*, 7 Ohio Dec. 118.

LIFE AND CASUALTY PARAGRAPHS.

—American life offices in Spain have no signboards.

—The New England Mutual Accident has had its funds and property attached. Good-bye!

—The Fidelity & Casualty "war clause" covers accidents to soldiers, excepting only those received in battle or within the enemies' lines.

—The Mutual of New York was just nineteen years old to a day when the Confederate batteries at Charleston harbor opened fire upon Fort Sumpter, on April 12th, 1861. Almost immediately thereupon the Mutual found itself plunged into just such another discussion as to the "extra loading for war risk" as is now going on in the United States. It is interesting now to note that it adopted the 5 and 10 per cent. extra rates of the New York convention, without requiring immediate payment of those extras; but that on the advance of the Confederate army to meet the issue at Gettysburg, the Philadelphia agency of the Mutual issued war permits for service in the State of Pennsylvania, free from any extra charge.—*Post Magazine*, London.

—There have been 49 street-car fatalities in Chicago in the past eight months. There were, besides, 470 cases of injury. Moral: take out an accident policy.

—Unpaid license fees of a foreign insurance company bear interest at the legal rate from the dates when the fees became legally due. Under Rev. St. § 1955, requiring the insurance commissioner to revoke the license of a foreign insurance company to do business for failing to comply with the laws applicable to it, he may revoke a current license where fees for licenses granted for previous years have not been paid.—*Travelers' Ins. Co. v. Fricke*, 74 N. W. 372.

—MONTANA CASUALTY, ETC.—Miscellaneous business was written in Montana as follows last year:

Ætna Life . . . \$190,000	Metro. Plate Gl. \$ 48,576
American Surety 116,000	N. Y. Plate Gl. . 23,995
Employers' Lia. 433,630	R. Y. Office's & E. 971,900
Fidel. & Casual. 515,726	Standard . . . 53,000
Fidelity & Depos. 155,000	Steam Boiler . . 260,000
Frankfort . . . 676,801	Travelers . . . 761,000
Lloyds Plate Gl. 26,844	Union Casualty . 11,246
Total	\$4,243,719

—UTAH LIFE BUSINESS.—The amounts written in Utah in 1897 were as follows, as printed in the *Spectator*:

Connect Mut. . . \$ 44,000	Northwestern . . \$ 88,838
Equitable . . . 165,029	Pacific Mutual . . 410,630
Manhattan . . . 131,500	Phoenix Mutual . 293,000
Metropolitan . . 27,000	Provident Sav'gs 16,501
Mutual Benefit . . 56,711	Travelers . . . 19,500
Mutual Life . . . 148,000	Union Central . . 122,000
National, Vt. . . 90,700	Union Mutual . . 21,700
New England . . 83,242	United States . . 66,000
New York Life . . 924,663	Washington . . . 9,500

The total is \$2,837,265, or less than in New Mexico. Measured by this standard, Utah falls behind in civilization and progress.

—MONTANA LIFE BUSINESS.—The auditor favors us with figures from which we compile the following table of life business written in Montana last year:

Ætna \$156,200	New York Life . \$1,440,592
Connect. Mutual 1,000	Northwestern . 625,054
Equitable . . . 579,406	Pacific Mutual 274,590
Germania . . . 266,395	Travelers . . . nil
Home 33,609	Union Central . 298,500
Manhattan . . . 174,600	Union Mutual . 5,351
Mutual Benefit . 15,254	Washington . . 59,688
Mutual Life . . . 617,000	

The total was \$4,691,683. The amount in force is \$17,216,798, a gain of over \$2,000,000. Assessment companies wrote: Bankers of Des Moines, \$614,000; Des Moines Life, \$81,500; Mutual Reserve, \$133,000.

—NEW MEXICO LIFE BUSINESS.—The amount written last year was \$3,123,743, as follows:

Equitable . . . \$ 403,071	Pacific Mut. . . \$724,850
Germania . . . 172,920	Union Mutual . 41,976
New York Life 520,080	Union Central . 54,500
Northwestern . 114,889	Washington . . . 8,000
Mutual Life . . . 1,083,467	

—A Kansas City man recovered from his injuries, collected his accident insurance money and released the insurer from any further liability. Later, he or his doctor or his lawyer discovered that he had not recovered entirely, and suit for further indemnity was successfully brought in the local courts. Trust a Kansan (or Missourian) to get everything possible from a corporation.

—Attention is called in a contemporary to the duration of vaccinal immunity. After stating the views of several writers, the conclusion is reached that this immunity may disappear at the end of two years, even in the adult. From that time vaccination may "take," and, what is more, variola may develop. If this is true, then the custom usually followed by insurance companies of considering the presence of a pronounced vaccinal scar upon the body of an applicant as all-sufficient proof against small-pox is not good insurance protection.—*Medical Sentinel*.

—The Northwestern Life Assurance Co. attaches a rider to its policies, explaining that it is a "stipulated premium" association, and denying that it is an "assessment" association, which the laws of Massachusetts and Georgia require it to stamp in red ink on its policy. It is not denied, however, that the right to assess is a part of the contract. In this rider the secretary says: "There are quite a number of old-line companies whose rates are based upon the American Experience Table of Mortality with 4½ per cent. interest, and those companies are paying large profits to their stockholders." We challenge the president and secretary to name "those companies." The average dividend to life companies' stockholders is only 8 per cent., which is hardly a "large profit." It is a weak cause that needs the support of a falsehood.

—"Your rate-war on the Pacific Coast is the 'horrible example' that is saving us from a similar fate," wrote an Eastern underwriter. Wise man, according to recent developments, for rates are being smashed right and left in the East, and general demoralization is threatened.

The Choice of Fire Insurance Literature.

(Concluded.)

Miscellaneous.

As far as practicable, the insurance literature at our command has been considered under numerous divisions for more convenient reference: but there are many addresses and papers which are general in character, yet with which every student ought to be familiar, no matter what line of work possesses the most interest for him. The oldest of these was delivered by the Hon. Horace Binney, of Philadelphia, upon the occasion of the centennial celebration of the Philadelphia Contributionship in 1852. When it is remembered that, at the date of the address, there were no steam fire engines, no maps, no insurance journals worthy of the name, no insurance commissioners, practically no Boards of Underwriters, no statistics such as we have, it is quite conceivable that the writer of such an address was the foremost member of the Philadelphia bar: and his utterances have rarely been surpassed for freedom from insular prejudice and breadth of thought in dealing with the possibilities of the insurance business and the obligations imposed upon those engaged in it.

Much has been gained in the few instances where underwriting associations have called upon men in other walks of life for instruction and suggestion. No better example can be presented than the address entitled "Social Aspects of Fire Insurance," given by Mr. Franklin McVeagh of Chicago before the association of that city, a prominent business man and large property owner. After telling us that we insurance people (considered as corporations) are, as it happens, conspicuously rich, and that the socialistic sentiment of the present day believes that a rich corporation is entitled to nothing more, to say the least, than it can force its way to, he remarked, "At present you come into the community with the same purpose that the rest of us business people come into it—that is, to get out of it what money you can. And the community meets you in the same spirit. You are powerful and so is the public, and it is diamond cut diamond. Suppose now you should change your attitude and come in for two reasons: First, to make all the money you can, and, secondly, to do the community all the good you can. 'Ah,' you will say, 'we cannot mix up business with philanthropy. There is no friendship in trade.' Well, I know that is the belief held by our age, and our age is the greatest business age of all. But a good many thinking men begin to say that such views are not final and that our great business age, before it turns into some other kind of age, is going to show itself much greater: and that it will, by and by, appear that there is friendship in trade, and that if we must, as a preliminary matter, buy where we can buy cheapest, and sell where we can sell dearest, in some way or other higher motive also will mix with these transactions so as to make them do in part the higher work of humanity too. There are other things, Mr. President, besides the popularity of insurance

companies, that need to be conserved. That greatest of modern achievements, the freedom of the individual, that which is the basis of present progress, and which permits us those great glimpses into the democratic future, is challenged. It is challenged because it has led to a too intense sense of personal ownership and to the too selfish use of vast accumulations of wealth. But, sir, it shall again stand unchallenged, and yours and all the other helpful agencies of our complex modern life shall be gratefully recognized when socialism and all its forms shall have found its final refutation in the public spirit of private property." Of a totally different character, but of great value, is the paper read before the same association by Lieutenant John P. Finley, U. S. Signal Service Corps, upon "Meteorology in its Relation to Commercial Pursuits, especially Insurance." Not only is a very practical account given of the work of the Signal Service stations, but there are most interesting tables submitted, with special reference to observations made at the time of great conflagrations, including the Portland, Oregon, fire of 1873.

Not very long ago, Mr. J. N. Lane of the Palatine Insurance Co., read a paper in Glasgow entitled "Practice of Fire Insurance in the United States," which enables us to see ourselves as others see us, and, incidentally, to learn something of the differences between English methods and our own; and the other side of the picture is displayed to some extent by Mr. Henry Robertson's paper, read in Chicago some years ago, upon "Fire Underwriting in England." In connection with a live topic under discussion at the present time, no student should fail to read Mr. E. F. Beddall's paper on Co-insurance," which ought, perhaps, to have been mentioned under the head of rates and tariffs.

The only pamphlet of its kind which has come under our notice is a report published in 1895 by a special committee of the Board of Trade, Newark, New Jersey, appointed to investigate fire insurance rates and practices. They gave every consideration to the interests which they represented, condemned the payment of excessive dividends by some of their own Newark companies (whose figures were the only ones quoted), and favored rebates to the insured instead of the brokerage system: yet they not only commended such features of underwriting as seemed to them proper and sensible, but specially referred to and exemplified the admirable working of the Mercantile Schedule, which appealed to their sense of justice as between different classes of hazard.

Of its class, there is no better address than Mr. Henry H. Hall's, read before the Northwest Association in 1887, entitled, "Something Besides an Insurance Man," reminding us that even the busiest underwriters have found time to make themselves of use in other walks of life, and depicting the characters of well known officers and managers as exemplified in their work as public officers, etc.

Mr. George T. Hope, whose influence appears to have been quite equal to that of any single under-

writer of his time, closed an admirable address in 1879 upon the "Obligations of Insurance Companies and their Officers to Policyholders" in these words: "I urge upon you my conviction that the business of fire insurance is competent to engross the profoundest thought and wisest capacity of those engaged in it; that this application must be made in order to constitute underwriters, and that thought and capacity so employed will enable an underwriter to be, in an unusual degree, a benefactor to his fellow men." Mr. Daniel A. Heald, whose addresses first aroused the writer's interest in insurance history and literature, wrote a brief paper not long ago entitled, "How to become an Underwriter," from which the following is an excerpt: "Patient study, honest perseverance, hard labor, adherence to fixed principles, application of mind to the work in hand and intensity of purpose, with a willingness to learn from all available sources, will most certainly lead to success."

After all, one does not read solely for instruction and technical training; and the few papers reserved for final consideration are none the less valuable because they breathe encouragement and counsel. It is only to be regretted that a longer time was not granted for the preparation of this paper, in order to discriminate more carefully in the selection of material for your edification. Excellent advice is that of Mr. D. A. Campbell in his paper on "Scientific Fire Prevention and Extinction"—"Your Institute (Norwich), I take it, is not only for study, but also for *action*. I make an appeal to the younger members of the Institute especially to aid in the good work by selecting some point of view, whether it be in building construction, electricity, chemistry or fire engineering, from which they can practically study how to make their profession not merely keep pace with, but actually stride on in advance of the times." If he wrote nothing else, the late Geo. F. Bissell would deserve our lasting gratitude for his 1891 address in Chicago, termed almost pure gold by one of our leading journalists, in which the underwriter of the future is thus described: "He will be trained in his profession, commencing near the lower round of the ladder. In it he will acquire the habit of wide observation and thorough discipline and knowledge. With quick perceptions he will combine a spirit of aggressive enterprise and persevering energy. He will be a man of details, never losing sight of the small things of the business. His attitude to competitors will be that of honorable co-operation in associated efforts. The stability of mercantile and manufacturing credit must, in a large sense, always rest with the underwriter. Hence his usefulness must be available to all, whether in the cities or villages and hamlets of our land, providing they come under proper conditions. He will be an even and well-balanced man, not carried away by unusual success nor cast down by universal reverses; for success and reverses will never cease to follow each other in the life of the underwriter. He will earnestly desire reputation, not through trumpet-blowing, but results. Above all, probity and moral

rectitude will hold no mean place in the fiber of his character."

It is twenty-five years since Mr. McCandlish wrote the paper which earned such high praise on the other side of the ocean. More recently he has given an address in Glasgow, evincing the same power of thought and expression, from which the closing paragraph will be taken:

"A society like that which I have the honor to address exerts a very large influence for good upon the conduct of this business of ours. It is possible to possess in ourselves and to discourage in others purely selfish aims, and petty and questionable methods of promoting them. It is possible to cultivate the feeling that we belong to an honorable and united profession, engaged in a business which contributes largely to the public welfare, which commands enormous resources, and has its roots and branches in every country in the world; a business which, if conducted with honor, will reflect honor upon us, and which invites the application of all the powers of knowing and thinking and doing which we possess or can acquire. Acting, then, on such principles, believing that we are contributing, in ever so humble a degree, to the national prosperity and the well-being of our fellow-men, recognizing that we are members of an honorable and a scientific profession, and cultivating a brotherly regard and sympathy towards all our associates in it, we who are insurance men may face with composure the anxieties and labors of an arduous calling, and may hope to please God in it, and to enjoy the testimony of a good conscience."

HERBERT FOLGER.

BEYOND THE ROCKIES.

Crossed electric light wires caused a \$5,000 loss in Chicago.

The anti-rebate court has just convicted a culprit in New York.

The Royal Arcanum has adopted graded rates increasing with the years.

Acetylene gas is being extensively used in Manitoba, Minnesota and the Dakotas.

The Kansas department boss refused to pledge that he would not make public the salaries reported to him.

Ensign Bagley, killed by an exploding shell at Cardenas, was insured for \$7,000 in the New York Life.

The Manhattan Fire is "going the pace" that will not lead to a reinsurer next time. "No flow-ers."

The *Surveyor* says of Manager Voss of the Thuringia: "It is safe to predict that eventually he will become a factor in the business in this city, although it is pretty likely that he will find some thoroughly wide awake competitors in this town. There is a difference between New York and Chicago."

Judge McGraw on the Constitutionality of Anti-Compact Legislation.

(Concluded.)

Mr. Justice Field held, "Whatever the State may do even with the creations of its own will, it must do in subordination to the inhibitions of the Federal Constitution."

There can hardly be a doubt that a State law which singles out from the business community the persons or corporations engaged in the business of fire insurance, and denies to them alone the privilege to formulate among themselves a uniform and systematic routine for the conduct of their common business; which forbids them to combine to reduce expenses, and to establish rules and schedules of their charges without which their peculiar business must be conducted with added and unnecessary hazards; imposes grievous and illegal burdens, contrary to the spirit of the fourteenth amendment and the civil rights legislation. Anti-compact legislation, such as the Michigan law, is within the inhibition of the fourteenth amendment.

Very soon after the Michigan anti-compact law was passed, however, the supreme court of the United States was called upon to decide whether the fourteenth amendment protected a corporation doing business in a State other than that in which it was created. The case arose under the retaliatory law of New York, and was an attempt on the part of a Philadelphia company to resist the payments in New York of a tax such as was levied in Pennsylvania on New York corporations. The Philadelphia company invoked the protection of the fourteenth amendment. It was held by the supreme court that a foreign corporation was not a person within the jurisdiction of a State until it had complied with the conditions on which it was admitted to do business therein, and that the nature or quality of the conditions which might be exacted were not affected by the fourteenth amendment. Mr. Justice Blatchford delivered the opinion of the court. Mr. Justice Harlan filed a dissenting opinion, which expressed views of the fourteenth amendment similar to those I had arrived at.

The question came up again before the same court. It arose under a law of Pennsylvania exacting from a certain class of foreign corporations a percentage on their capital stock as a license fee to maintain an office in that State. The opinion was delivered by Mr. Justice Field. The court held that a corporation was a person within the meaning of the fourteenth amendment, and further

held: "The plaintiff in error is not a corporation within the jurisdiction of Pennsylvania. The office it hires is within such jurisdiction, and on condition that it pays the required license tax it can claim the same protection in the use of the office that any other corporation having a similar office may claim. It would then have the equal protection of the law, so far as it had anything within the jurisdiction of the State, and the constitutional amendment requires nothing more."

It must be confessed that these decisions of the supreme court are discouraging, but I regard them as by no means conclusive.

In a case which I had the honor to present to the supreme court of this State [firemen's relief fund tax case] I ventured to predict that the time would come when a decision of the supreme court of the United States in *Doyle v. Continental Ins. Co.*, holding that courts of the United States were powerless to protect a foreign corporation from a State law requiring as a condition of admission, that it should renounce the right to resort to United State courts, would be reconsidered by the tribunal which rendered it. After the printing of my brief, and before the case came on for argument, the *Doyle v. Continental* case was reconsidered and reversed by the later case of *Barron v. Burnside*.

While I likewise hope for an ultimate reconsideration of the cases I have cited holding that foreign corporations are not within the protection of the fourteenth amendment, I feel that to make such hope the sole basis of resistance to an anti-compact law would not be justifiable.

It is not therefore, solely upon the ground that I believe the better view of the law is that expressed in the dissenting opinion of Mr. Justice Harlan, before alluded to, that I do not hesitate to advise that a resistance to an anti-compact law would be justified notwithstanding those decisions. There is a very marked and essential difference between the laws passed upon in those cases and on anti-compact law, a difference which warrants a reasonable expectation that the highest court in the land will see its way to a condemnation of the latter, without necessarily revising or even modifying its former opinions.

It is the duty of the courts to consider the real objects and the practical effect of statutes; where the question of their validity arises. The supreme court of the United States declared in the case of *Chy Lung v. Freeman* that we are at liberty to look at the effect of a statute for the test of its constitu-

tionality"; and in *Henderson v. Mayor of New York* the same court said: "In whatever language a statute may be framed, its purpose must be determined by its natural and reasonable effect."

So an anti-compact law is not, with reference to the question of its constitutional validity, to be considered solely with reference to its terms, which in form merely prescribe a condition on which a foreign corporation may do business. We must look beyond that mere form of words, in search of the real objects and practical effects of the statute.

A statute is absolutely valid or absolutely invalid. There can be no legislation which shall be valid as to A and invalid as to B. If A is a foreign corporation a statute may be of such a nature that as a foreign corporation A may not be able to find that such statute violates any right secured to it by any constitutional provision. But if the same statute violates the constitutional rights of B who is not a foreign corporation, then it becomes invalid as to both A and B.

Insurance companies owe their existence to the voluntary combination of the capital of private individuals. They ask nothing whatever from the State or from the public in the way of special privileges; they do not invoke the right of eminent domain; they do not carry on a business offensive to the persons or dangerous to the property of others: no man deals with them except by his own volition. It is a business which meets with the unequalled approval of political economists and statesmen. It is to the interest of the State that losses by fire should be distributed among a large number of capitalists, to each of whom the loss is trifling; that by the contributions of the many the few may be saved from ruin, and that capital which they are productively employing in business may not be all at once withdrawn from it.

Insurance is a business which should be fostered, not frowned on by the State. From its nature it is open to all. There can be no monopoly of it. In its earlier history it was altogether the enterprise of private individuals. No reason exists at the present day why it may not be carried on by individuals. It is true that of late years individuals wishing to engage in that business have preferred to do so, under a corporate combination of capital, but when they have combined their capital under the form of a corporate existence, they have in no way interfered with the right of other persons

desirous to engage in like business, whether as individuals or as corporations.

They have owed absolutely nothing to the State, except the mere privilege of incorporation, which is a convenience but not at all a necessity to the business.

Now comes the anti-compact law, professedly for the encouragement of free competition in the business of insurance, in fact nullifying its laws for the protection of the insured.

In an ordinary mercantile business, subjected as all such undertakings are to an unrestricted competition, the majority of those engaging in it sooner or later become insolvent. The prizes of solvency and wealth are the results of circumstances which affect the business of insurance to a much more limited extent than an ordinary commercial business.

For example, there is no possibility that one insurer can buy his commodity in a cheaper market than his rival. He can not take advantage of a depressed market or cut-throat competition in freights, to lay in a large stock for future use. His business is governed to a very large extent by fixed natural laws which he can neither alter or disregard. The cost of the commodity which he sells is largely ascertained by computations from statistics extending over a period of years, and from which the average percentage of loss from fire in a given community may be more or less closely approximated.

In ordinary vocations, the fate of the seller engaged in such competition is not a matter of great public interest, but in the business of insurance, unlike that of any other, the fate of the seller is a matter of public concern.

Free competition in the business of insurance means a scramble for business without reference to its cost; an absence of systematic and intelligent routine; a vast increase in running expenses; a cutting of rates that the income is X while the expectation of loss X-|-|. The impolicy of legislation that encourages such a condition of the insurance business is not open to argument; but mere impolicy is not unconstitutionality.

If such anti-compact law struck at the foreign company only, in effect as well as in terms, it might be impossible to overcome it. But the necessary effect of such a law would be a restriction of the right of contract and agreement laid upon all companies engaged in the business, foreign and domestic.

An agreement which would effect the establishment of uniform rates and prevent up-

restricted competition, must from the nature of things be an agreement to which all persons and corporations engaged in the business in a given locality are parties. If there are ten companies engaged in the business of insurance in a given locality, five foreign and five domestic, no possible agreement between any two or any five of those companies would have the effect to establish uniform rates or prevent unlimited competition.

Now, under the decision of Mr. Justice Field, it is absolutely beyond the power of a State legislature to impose upon a domestic corporation or one of its citizens a limitation upon the right to conduct its or his business on a solvent and substantial basis. It cannot say to a domestic corporation "you shall enter into no contract or agreement the effect of which will be to establish uniform rates or prevent competition."

The right of the domestic corporation to manage its capital and conduct its business, without impertinent interference on the part of the State, is as firmly secured by the fourteenth amendment as is the right of a Chinaman.

A history of legislation in the United States would bring to light instances in which a legislature, with a paternal regard for the interests of the citizen and an autocratic disregard of his rights, has deemed itself more able than the citizen to make contracts for him and has embodied that belief in the form of "acts of the legislature." But courts do not regard this assumption of superior knowledge and ability, on the part of legislatures, with a kindly consideration.

An anti-compact law which would in terms attempt to restrict the right of a domestic corporation to enter into any contract for the legitimate advancement or protection of its business would be void. An anti-compact law which in terms is applicable only to foreign corporations, in effect imposes a life burden on domestic corporations. It prohibits the foreign corporation from making a contract with the domestic corporation, while it is beyond the power of the legislature to prohibit the domestic corporation from entering into such contract with the foreign corporation. The law may not interfere with any of the constitutional rights of the foreign corporation, but it is in absolute violation of the constitutional rights of the domestic corporation.

The latter has an absolute right to enter upon contracts, which is beyond the reach of legislative intermeddling. And as the legislature cannot abolish that right, or limit it,

directly, neither can it do so indirectly. As soon as it is made apparent that the effect of any law, however speciously it may be drawn, is to impair personal rights or rights of property guaranteed by the constitution, the law fails. It is null, not only as to the person whose rights are most injuriously affected, but also as to all mankind. The application of this principle, to the decisions of questions involving the validity of statutes, is a matter of common occurrence.

I am therefore of the opinion that an anti-compact law, while it possibly may not be an infringement of the right of a foreign corporation, is invalid under the fourteenth amendment to the constitution of the United States, because it limits the right of contract, which is a portion of the inalienable rights of domestic corporations.

Some Remarks on Longevity.

[From *Insurance Spectator*, London.]

I referred to the use of stimulating nostrums, which, in point of fact, in place of lengthening, often decidedly tended, as it does now, to shorten life. For one thing, as Dr. Hufeland is careful to indicate, they tend to cause those under their artificial influence to attempt things far beyond their actual powers, and then ere long comes a reaction, and the last stage is much worse than the first, and so the process goes on, until the individual ceases to respond altogether to stimulants, and collapse ensues and is pretty certain to prove mortal! It is, said Dr. Hufeland, foolish to accumulate the vital power in a concentrated form within the body. When this is done, nothing has really been done that is of any value in prolonging existence. Besides, in a sense, we are always doing this so long as we eat and drink, that is charging ourselves with vitality. The main thing, as he points out, is to preserve our vital organs as intact as possible, and keep them in a condition capable of assimilating nourishment, and, what is still more important, of discharging, without straining the natural functions, the waste matters which are unavoidably present in the food that we eat.

Well, this brings us to the strengthening of the principal organs, and, unfortunately, this has led some to imagine that hardening, as they foolishly call it, is really equivalent to strengthening, which is altogether another and quite a different matter. Some have taught that the more an organ is hardened, the more will it be vitalized! It is very

difficult to conceive any notion more certainly fatal than this, or of one more calculated to wreck the small chance that the majority among us have in early life, of coming to that length of days which, and very rightly, was held among the ancient Jews to constitute a special mark of the divine approbation. Now, there is a vast deal of difference between the mechanism of anything and its vital duration. A certain degree of solidity is naturally favorable, as our great authority holds, to vitality, but too much solidity is, on the other hand, very prejudicial indeed. How often do we hear that phrase, "Oh, he is as hard as nails!" and how often, too, do we find these men, "hard as nails," succumb to blood-poisoning and to half-a-hundred other ailments, while men, and women too, of apparently very frail physique, and having softness, rather than hardness for their characteristic, live on and even survive diseases before which these splendid samples of muscular strength and of fine training, drop off like over-ripened fruit!

Let it be well borne in mind that the essential characteristic of life lies really in the uninterrupted and the perfectly free activity of all the organs, although the actual action may not be marked by any remarkable degree of vigor. Fish, it has been remarked, are soft and watery, yet fish live relatively long, and it is better that any organ should be soft, and therefore capable of rapid readjustment to altered conditions, the result of age, than that it should be too rigid, and, as they say, "hard as nails!" One of the popular methods employed for "hardening" is, as we know, the use of cold water and keeping the body exposed to severely low temperatures. What is the real effect of this, and of quite half the vaunted exercises and so-called "games" of our public schools, but to render many of the actually essential organs *pro tanto* drier, more rigid, and tougher? "Hard as nails" again, and, therefore, incapable of doing properly that constant reparative work which is the true secret of longevity, whatever the advocates of the "hardening process" may allege to the contrary.

At the same time, it must be well understood that those who have gone into the other extreme and have endeavored to live without activity, and have thought that life can be extended by apathy, have made quite as great a mistake as those who would in youth use up all the flexibility and adaptability of the internal organization of the human economy, thus nicely preparing the way in middle life for that gradual ossification of

which comes the agony of rheumatism and many other kindred ills to which flesh is not naturally heir, and which only come through the errors of those who imagine that using up all the available powers in youth by a course of athletics, is the way to secure strength in middle life, when, of course, it is just the reverse. In reality, what is wanted is such an increase in the sum total of the vital powers as will be fully adequate for present requirements, but not so much beyond as to lead the individual to exertions that arise from the exuberance of a present feeling of vigor which conducs to excess of any kind.

Decidedly the use of cold water to any great extent is bad, and it must be borne in mind that cold water cannot practically clean the skin, while warm water does, and thus virtually increases the lung capacity, for whatever it be that causes the pores of the human skin to be free, by so much economizes the work of the lungs and preserves them against the evil day when at last, owing to the skin becoming, as it must in time, less elastic and porous, the lungs will have double work to do. We often read of very old persons dying quite suddenly, as it seems, of pneumonia. It were more correct to say that they died of the poisonous consequences that follow from having a skin that had grown too tough and impervious to throw off properly the bad humors and impurities which it is the great function of the skin to remove.

Obituary.

Ben Williams, chairman of the executive committee of the National Association of Life Underwriters, died at his home in Chicago, Illinois, on Sunday, May 22d. The late Mr. Williams has been very prominently associated with the National Association of Life Underwriters for many years. He was also manager of the Western department for the State Life Mutual of Massachusetts, and was a zealous worker in the interests of life associations. He was a genial, whole-souled gentleman, and of charming personality—universally respected and beloved by all those who had the pleasure of his acquaintance. Mr. Williams had been a great sufferer during the past seven months from a complication of kidney and liver troubles.

—Several more companies have withdrawn from Kansas. Insurance agents, not being in politics, haven't much influence with "this here" Seedy administration.

Commissioner Cutting on Interest Rates and Reserves in Life Insurance.

The action of some of the life companies during the past year, in the direction of adding to the strength of the reserves upon their policies, has brought the subject of the ruling and prospective rates of interest upon acceptable investment securities into special notice and consideration. This is not a new subject—it has been under discussion more or less actively among the company officials, State commissioners and insurance men generally ever since the first attempt was made to bring the laws of the various States into accord upon a standard for valuation of life insurance policies. The rates fixed upon by the different States for this purpose have been various, but none more conservative than those of this commonwealth. For nearly forty years the standard here has remained the same, and meantime, one by one, the other States have more and more nearly conformed to it, until now it is practically uniform throughout the country.

Under it the companies have at no time been at a loss to provide for the performance of their insurance contracts, and lay aside a prudent and ample surplus for contingencies. But the interests are vast and momentous, and it is the part of wisdom to keep in view and weigh carefully every indication that bears upon their stability and permanence. If there is anything to-day that gives reasonable evidence—not a mere possibility—that the rates will decline within the average lifetime of the policies to an extent that 4 per cent. cannot be realized upon the reserve investments, provision should certainly be made for more ample protection.

The history of the tendencies of interest rates since the war of the rebellion is a very curious study. At the beginning of this period rates ruled at the highest, and there was no important diminution until the time of resumption of specie payments in 1879, and the return of the currency to a fixed and substantial basis. During the following ten years there was a gradual decline to the conditions which at present rule; but for the past six or eight years there is hardly a perceptible change. These are the general facts, as almost universally testified to by bankers, investors and writers upon financial matters.

Judged by the interest earnings of the reverses of the life insurance companies, however, a very different condition might be implied, as these investments are always made in as long-term securities as prac-

ticable, and would therefore show in their falling in and reinvestment a much more gradual pace and longer term during which an important change of rate would appear than in ordinary banking and commercial transactions.

From a quite careful analysis in this department of the investments in which the reserves may be made under the rule established in the law of 1887, the interest earned upon the assets has averaged in no year during that time less than 5½ per cent. of the reserve; and on even the total ledger assets, which are made to include idle cash and certain other non-interest bearing entries, the rate has always been in excess of 5 per cent.

The tendency, from these indications, seems no longer downward. But, as before said, the stake is too vital and important to permit the neglect of any reasonable prudence and caution. And it would, perhaps, be profitable here to look at present conditions and prospects. The companies have now in every case in good and acceptable funds the full entire reserve called for by the 4 per cent. net standard, which in itself makes them sound and able in the view of the law; but, in addition, with few exceptions they each hold a surplus of more than 10 per cent. beyond the highest State requirement.

This surplus has been acquired under rates of premium based substantially and for the most part upon the general standard. These premiums have been found adequate to meet the insurance costs, maintaining the requisite reserve and a prudent surplus for contingencies, besides making very substantial returns to policyholders in dividends or distributions of unnecessary excess.

The Western Mutual Life.

The Western Mutual Life Association of Chicago was organized in 1893 and 1894 by the Rhodus Bros., who came from Denver, Col., to Chicago, and there succeeded in getting some prominent financial men interested in their scheme. True to that standard of human nature as described by the late P. T. Barnum, they got started, and the present 400 scheme with all its flap doodle paraphernalia, which is now playing upon the gullibility of the public, is the result. The organization of this scheme is another demonstration of the expression that "truth is stranger than fiction." Had these two approached any of these men with a proposition to attach themselves to a great land scheme right in Cook county, Illinois, these same men would have examined un-

doubtedly into the title of the land before allowing their names to be associated with it. The abstracts of title would have been carefully scrutinized, etc. But here is a scheme, the benefits of which are intended to go to their families in the end, after they are dead, which is entered into by the most part on the simple representation of the agent or because some other influential man had gone in.

These men compose the original 400 who are to receive a rake off of \$1.00 per year per each \$1,000 of insurance in force in the State of Illinois so long as their policies are in force. These men who are selected for these advisory boards in each State are all able to buy and pay for their own insurance, and yet for the use of their names to hawk about the country they are offered this special inducement. Some unfortunate people must pay for this special concession.—*The Underwriters Review*.

The Bankers & Merchants of San Francisco was a similar scheme, promising the same commission to prominent policyholders. It is dead. The Western Mutual will likewise fail.

Industrial Insurance.

Industrial insurance may be defined as insurance at retail, and, like those of all great retail businesses, its total figures are startling. There are over eight millions of industrial policies in force in the United States, amounting to over a thousand millions of dollars. This business is in thirty-seven States, but almost all of it is in less than half the States of the Union. It is the result of the work of twenty years.

Reasoning from the analogy of the business in Great Britain, where one company alone has as many policies in force as equals one-third of the population, one can easily imagine what stupendous figures will be shown at the end of the next twenty years. Every year has shown large advances over the preceding year, and there is no reason why this should not continue, for we deem it safe to say that twenty years' experience is sufficient to demonstrate the stability and permanence of the business. We have a right to conclude from this that the system meets an actual want.

The first fact, therefore, to which I wish to draw attention, is that there is a demand for small insurances from the working classes, and that the most important question for those who have the interest of these classes at heart is, how shall this demand be met? This fact should be impressed upon the minds of all who study the question, that the busi-

ness springs from the desires, nay, the demands, of the people, and is not a business created by speculators and forced upon them.

Historically, industrial insurance, as now practised by corporations, has grown out of the unscientific, clumsy effort of the people to insure themselves by small clubs and fraternal societies. None of these was large, and so the system did not attract much attention; but it was extravagant, unsafe, unfair and full of abuses.

England was overrun by small friendly societies. Many of them issued no policies, the sign of membership being a card containing only the name of the society and of the supposed insured, with fifty-two small blanks to be crossed for weekly payments; the management was in the hands of the collectors; the meetings were characterized mainly by the amount of beer consumed; the method of compensation to collectors encouraged the forcing of lapses; the amounts paid were small and the collection uncertain. The abuses were so numerous and flagrant that they became the subject of parliamentary investigation and finally of reform.

Industrial insurance is an effort to provide safe, small insurances on scientific principles for the great mass of the people. Its broad, underlying principles are easy to understand; but the application of them to existing conditions involves difficulties and intricate details, which are taxing the resources of great companies, involves also tremendously hard work on the part of able men, who are putting all their strength and mind and body into the problems constantly arising, and into the conscientious work of improvement and endeavor to reach perfection. These broad, underlying principles are few, and are such as are common to old-line life insurance as regulated by statute in this country.

You must have level premiums, sufficient to cover the mortality to be experienced in the class for which the insurance is designed; sufficient to pay the expense of the business; and sufficient to provide the reserve required by law to meet the increased cost of insurance at the increased age of the insured. Industrial insurance companies, therefore, in their plans of insurance, must make provision (1) for the special mortality of the class for whom the insurance is devised; (2) for the statutory reserve which makes the insurance safe; (3) for the expense of placing the insurance and collecting the premiums to keep it in force; (4) for the agents in such wise that the method of compensation shall tend to prevent

lapses; (5) for the proper distribution of surplus.—*Halsey.*

Commercial Union Assurance Company.

LARGE GAIN IN RESOURCES—OVER A MILLION EIGHT HUNDRED THOUSAND ADDED TO THE ASSETS—PROFITABLE BUSINESS LAST YEAR.

Great age in fire underwriting is not necessary to the production of great results. The Commercial Union Assurance Company of London is only thirty-eight years old, but it has built up a fire premium income exceeded by only three or four of the oldest and largest British offices. Its fire assets and surplus funds have kept pace with the progress in premiums. In accumulations, net surplus and fire premiums the Commercial Union Assurance Company is not only eminent among fire offices, but in average progress it must be included among the very few that are pre-eminent.

The Commercial Union's gross assets have advanced during the past year from \$21,924,705 to \$23,729,899. This is an increase of over \$1,800,000 in twelve months. The entire liabilities, including the \$1,250,000 cash capital paid in by the stockholders, leave a net surplus of \$5,293,651. This gives a surplus of \$6,543,651 as regards policyholders. We need not remind the reader that these are strong, commanding figures, attesting the fine indemnity guaranteed by a policy in this very successful company.

The income of the several departments last year yielded a total of \$8,159,241. The expenditures were \$6,967,458, which left a big balance for reserves and usual dividends. The net fire premiums were \$5,336,443. The loss ratio was moderate, being only 53 per cent. of the premiums. The marine business brought the total fire and marine premium receipts up to \$6,373,772, with a combined loss ratio of only 56 per cent. Both losses and expenses footed up only \$5,782,689, leaving the very favorable underwriting profit of some \$600,000, on the year's transactions.

The Commercial Union does a large and paying business on the Pacific Coast,

under the management of C. F. Mullins, who has been connected with the company for the past thirty years. The net fire and marine premium income of the Coast department of which Manager Mullins is in charge, last year, was \$422,373.

Fire Resisting Materials.

The recent Fire in a Melbourne tobacco factory has called forth "Some Notes" by Nahum Barnet, architect. "This fire," he says, "has proved a timely object-lesson of the advantages of a method of construction which undoubtedly helped to save the building from a total demolition and secured a larger amount of valuable salvage." The floors of the building (64x60) are supported by Oregon beams, of a maximum thickness of 18 in. x 10 in. The story-posts are of red-gum and Oregon pine.

The fire broke out in the sixth story. The floor (Baltic white deal) was destroyed, but almost all the burnt beams and story-posts held their position and the floor battens remained intact. Work was resumed on the fifth floor within a few days. The other floors were undamaged.

Mr. Barnet cut sections of the beams and story-posts which had been subjected to the fullest force of the fire. Only an inch deep of the surface was found charred; the heart of the Oregon timber was as perfect as when cut in the forest. "The carbon surface," he says, "set up an almost impenetrable area to the incursion of flame, and the slowness of its combustion was, therefore, its salvation." This fire furnishes additional proof that timber supports are preferable to iron or steel or stone.

Slate-roofs are denounced. Mr. Barnett says: "To cover with slate is actually courting danger; for a slate-roof, under the action of fire, followed by a douche of cold water, results in a mass of flying pieces and the exposure of naked rafters to a heavy draught and flame." Flat roofs have disadvantages even when built of fire-resisting materials. They catch and retain falling brands. The most fire-

protective roof is tile-covered, with the orthodox pitch for the descent of burning embers.

The foregoing views are supported by the results of the recent printery fire in San Francisco, where wooden posts were merely charred, and resisted a fire which destroyed floors and contents.

British Fire Offices' Profits Last Year.

The chairman of the London & Lancashire Fire Ins. Co.'s annual meeting, held last month, said:

"I find that 22 companies have given their results to the shareholders, and that the business which they have done is represented by a premium income of £7,054,245, upon which they have made a profit of £439,779, or just 6¼ per cent. This is undoubtedly a very satisfactory result, and points to an unusually prosperous year; but still I venture to contend that there is nothing unreasonable or extravagant in a margin of 6¼ per cent. It simply means that the companies generally, out of every £100 received for fire insurance have paid away £93¾ either in losses or in expenses inseparable from carrying on the business, and have received £6¼ per cent. for remuneration, and this in a year, it must be borne in mind, that is exceptionally favorable. If you take the result of an average of years you will find it is very considerably smaller."

Bankers and Fire Insurance.

When a banker or broker makes an advance upon merchandise in public warehouses he will, of course, take care that the goods are insured against fire. This will usually be done at the expense of the borrower, who will either authorize the lender to insure, or will hand him the policies. In the latter case, if the lender is to be absolutely covered, the policy must be transferred into his own name. This is necessitated by the operation of what is called the "average clause."

First of all, in the event of a fire the insurance offices will only pay the market value of the goods, no matter how much more they have cost the insured, and notwithstanding that the goods are destroyed at a public warehouse in no way under the control of the insured. Now if a merchant has eighteen hundred pounds worth of tea at a certain wharf, and by some oversight he has only taken out a policy for £1,000, if the whole is destroyed the insurance company will, of course, only

pay the £1,000 insured by the policy, and there would be a loss to the merchant of £800. In this case the merchant would really be his own insurer for the £800, so that if only half of the total quantity of tea were destroyed the company would pay only half the sum named in the policy, or £500, the merchant losing £400, or half the value of the portion he is presumed to be taking the risk of himself. When a claim is made under a merchandise fire policy, the person claiming is required to make a declaration as to the value of the whole of the merchandise he has at the place or places covered by the policy at the time of the fire, and if he should not be fully insured the amount of the policy is made the numerator, and the value of the goods is made the denominator of a fraction which will represent the proportion which the insurers will pay of the ascertained value of the goods destroyed. In the case just instanced the fraction would be 1000-1800ths, so that the insured would only receive 5-9ths of the value whatever quantity of tea was destroyed. If, however, the merchant had by mistake insured his eighteen hundred pounds worth of tea for £4,000, he would get no more than the ascertained market value of the tea he has lost by fire.

Policies may be taken out covering merchandise at several warehouses, jointly and severally, and also what are called "floating" policies covering all public wharves or warehouses within six miles of the Royal Exchange (with a few exceptions), and under these policies, provided the total value everywhere covered by the policy does not exceed the amount of the policy, the insured is fully protected, even if all his merchandise is at one wharf only. As a general rule, in the settlement of claims, specific insurances pay in priority to general "floaters"; but a collective or a floating policy becomes a specific one if all the insured's goods are at one wharf.—*Geo. R. Galager, London.*

Convinced the Claimant.

[From Selections from *The Knapsack*.]

A San Francisco general agency having received word from one of its local agents at quite a distant point of the total loss of one of its risks, mailed the local a blank form "Proof of Loss," and instructed him to adjust the matter. The form of the policy covered items as follows, viz.: \$350 on frame building; \$350 on stock of wines, liquors, and cigars, and \$50 on barroom and household furniture.

When the proofs were received at the San

Francisco office, it was shown that the loss under each of the items considerably exceeded the insurance on same. But the local explained he was able to make a salvage of \$50, as he had found out that a week or so before the fire occurred, the assured had sold a bedstead and the bedding belonging thereto, for the sum of just fifty dollars; and even though the loss on barroom and household furniture amounted to \$150, he thought the \$50 the assured had received from the sale of his bed was as good as the company's \$50, for which it insured his furniture. The assured had but lately received \$50 for furniture. What difference did it make to him, whether he received it from one source or another? He had his money; what more did he want? The local so argued to himself; then to the assured, and what is more, *convinced him!*

"Freight."

It will be interesting to say something about the origin and earlier meaning of the word "freight." It is not at all clear how or when the modern definition first attached to it, but it is quite probable that the present meaning began to be generally accepted some years before 1749, as it was in that year the word "freight" first occurred in the text of the marine insurance policy. The earlier signification was simply a load—a cargo, and it was also used as a verb, "to freight," meaning to load, with the old form of past participle "fraught," meaning loaded or laden. The sense in which "fraught" has always been used is very clear from Old English writings, and a quotation from our immortal English bard will be sufficient to show it:—

"In the narrow seas that part
The French and English, there miscarried
A vessel of our country, richly fraught."
—SHAKESPEARE: *Merchant of Venice*.

Both in the shipping and the literary sense the meaning of "fraught," unlike that of "freight," has remained unchanged to the present day, although in shipping affairs it is practically obsolete, having been superseded by the words "loaded" and "laden."

As regards its etymology, "freight" is evidently borrowed from the Old French "fret," a load; and, as a matter of fact, this word occurs in an old edition of Chaucer's works, printed in 1532, in the line, "Fret her shippes new," meaning "to load, &c." The Old French "fret" itself has also been borrowed from the Old High German "freht,"

meaning service, and in such case it is not difficult to see that the idea of "hire" might naturally have resulted from such a source. In its earliest shape the word is undoubtedly of Teutonic origin, and every Germanic language possesses it in some form; for instance, we have Old High German "freht," German "fracht," Dutch "vracht." A very natural-looking proceeding to the lay mind is to connect it with the Latin root "fero," to bear, to carry, but, to quote excellent classical authority,

Such a derivation would be historically wrong, and phonetically impossible. There is no trace of it in any Neo-Latin tongue except the French (*via* Franks and Normans), and there is no classical or Low Latin word which could take such a shape in Teutonic.

Needless to say, "freight" in the modern sense is one of the most important maritime interests. In a marine venture, the interests of the ship, the goods carried, and the freight are, so to speak, inseparable from each other, being bound together by the dangers of the deep, to which all are alike exposed.—*W. R. Ray.*

A Day's Casualties.

Accidents are not diminishing in number or fatality. Progress in arts and commerce has its penalties. Every invention which increases the productive power of labor, or saves time in transit, adds to the number of fatalities.

We need not read fault-finding editorials in our favorite daily *Shouter* to become pessimistic. The news pages teem with accounts of atrocious crimes and shocking casualties, until the appalled reader envies country folks, sailor-men and Alaskans who can not and need not see the daily prints.

In a daily paper before us this June 2d the following not uncommon casualties are related at length beneath startling head-lines, to-wit:

"Thirty-four Engulfed with the *Jane Gray*. The Schooner Goes Down with Only Ten Minutes Warning to Those on Board." The schooner was provided with boats and life-preservers, but she foundered so quickly after listing that over half the gold-seekers on board perished. There is no government inspection of sailing vessels in this country, and the schooner sailed top-heavy with temporary quarters for the Klondikers.

"Went Down in View of Their Friends. Drowning of Six Men by the Capsizing of a Launch." A half mile out in Mono lake,

steaming against a violent gale, a gasoline launch capsized. Four of the party sank instantly. Two swam through the alkali waters of the lake, buffeting wind and wave, to within sight of their friends on the shore, and then perished.

These illustrations of daily catastrophes, entailing loss of life, as narrated in the "history of a day," will suffice. No man is free from liability to accidental injuries and fatalities, no matter what his pursuits—worker or idler, business man or professional man or farmer or mechanic or laborer. The moral whereof is: Take out an accident policy.

Transvaal Sarcasm.

We cut the following novel card from a late issue of the *Transvaal Critic*:

THE CAKE, NO. 70.

In recognition of the spontaneous and resolute manner in which its members declined to attend the Doornfontein fire,

THE JOHANNESBURG FIRE BRIGADE TAKES THE CAKE,

and I can only express the hope that in the event of a member's house catching fire, his neighbors will not refuse to lend a helping hand in its extinction on the ground that it is "outside their jurisdiction."

The Cake will be on view at Messrs. J. W. Quinn & Co.'s Refreshment Rooms, Pritchard street, and will in due course be forwarded to the winner.

AUSTRALASIA.—Local conditions in small communities have great effect, and you are aware that the influences at work in the colonies are exceedingly complex, and fluctuations in value severe. Manufactures are in their infancy, and we are dependent almost entirely upon minerals and the product of the soil. Gold, silver, and copper, wool, wheat, meat, butter, cheese, wine, and fruit are our principal exports. Several bad seasons have had their effect upon the farming industry, and the present drought in the north of Victoria and over large areas of the adjoining colonies is so serious that many will be ruined. Through the absence of wheat for export, gold is being shipped to meet drafts in London. Since the beginning of the year between four and five millions have gone. Our legislation is in many respects socialistic in tendency and repressive in character, inducing the withdrawal of British capital, and there is little apparently at the present time to encourage private enterprise. The large sums available for investment, together with only a moderate demand, forced the rate of interest down, say $1\frac{1}{2}$ per cent. in five years.—*J. B. Gillison.*

The Fidelity Mutual Life Association of Philadelphia.

Will the insurance press, that seem to think that because L. G. Fouse is president of the above named association, it may escape the mortality experience of other assessment associations, allow *The Policyholder* to hazard the assertion that it will not?

Mr. Fouse doubtless left the employment of a regular company, because he could make more money operating an assessment one.

His report to the State auditor shows total amount of \$1,862,583.23 and \$72,873,727.10 of insurance contracts outstanding or about \$25 to each \$1,000. The "reserve" of \$493,244.28, (and which is included in the total assets named) is but about \$7 for each \$1,000 of insurance in force; the association is ageing and during the last six years its expenses have been more than \$44 to each \$100 of income.

Increase in assessments or rates is inevitable and the "safety clause" of the policy, expressly provides for this.

The kicking and court proceedings of the members in that great day, will be as useless as the protests of the members of the Mutual Reserve Fund and the Covenant Mutual of Galesburg, are now.

The safety or emergency clause right to call on the members for more and more money at the will of a board of directors, is a "beauty" when the agent or actuary sugar coats it for one to swallow when he buys the policy. It is a "beast" when later on it tells him to double and triple and more his payments or get out of the game and forfeit all. *The Policyholder.*

Authority of an Insurance Commissioner.

Mandamus proceedings compelled the Colorado department to re-license the Mutual Reserve Fund, which had been excluded in retaliation for the refusal of the New York department to license one of Denver's co-operative frauds. Judge Allen very sensibly said: "The superintendent of insurance has no power, authority or discretion to prevent a company making an application to do business in this State, when that company has complied with the statutory requirements governing the admission of foreign corporations into a new field. There is no such thing in law or morals as retaliation. Two wrongs do not make a right. The order will, therefore, be made mandatory."

Manchester Fire Assurance Company.

—
 VERY LARGE GAINS ALL ALONG THE
 LINE—OVER FIVE MILLIONS ASSETS
 NOW.

The seventy-fourth annual report of the Manchester Fire Assurance Company will bear the closest inspection, for every feature is flattering. Look along the line of figures in the *Coast Review Chart*, and you will note conspicuous gains in the several departments showing condition and business, together with a reduction in the loss ratio.

Last year's successful business placed the assets of the Manchester beyond the five million post, and the premiums passed the four million point. Some remarkable gains were made. Over \$800,000 was added to the assets. The premium income was increased over \$470,000.

The company incurred extraordinary losses in the Melbourne and London conflagrations, but elsewhere the loss experience was so moderate that the average loss ratio was only 53 per cent. Losses and expenses were \$686,000 less than the income, which is a big balance to the good, for dividends and reserves.

During the past year the Manchester absorbed the American of New York and the Commercial of Cape Town. These important acquisitions have increased the company's premium income and given it valuable connections. The wisdom of taking over this business has been confirmed by handsome results.

The annual figures of the Manchester for the past few years show extraordinary progress, as follows:

Jan. 1.	Assets.	Net Surplus.	Premiums.
1893	\$2,828,815	\$ 429,923	\$2,438,902
1894	3,978,838	824,453	3,118,577
1895	4,068,553	904,785	3,517,546
1896	4,079,877	1,065,232	3,456,030
1897	4,368,779	1,261,593	3,799,923
1898	5,178,318	1,301,524	4,270,665

The United States branch of the Manchester has nearly quadrupled its assets since 1890 and has increased its premium receipts from \$152,311 to \$1,341,585. The condition of the affairs of the branch is

excellent, it having \$797,330 surplus, with an underwriting profit of \$177,000 to its credit on last year's transactions.

The Pacific department, under the management of L. B. Edwards, increased its premium receipts to a sum exceeding \$200,000 last year.

Covenant Mutual Sarcasm.

Policyholders of the Covenant Mutual Life Association of Galesburg, Ill., have been writing warm letters to the officials, and there has been a hot time in the old office ever since the last extraordinary assessment increase. A member at Silver Plume, Colo., relieved himself in emphatic language which provoked a sarcastic reply from the secretary, in the course of which he said:

"I trust you will pardon us for not knowing how wise you are. Just begin your lawsuit and we shall make a plausible effort to answer and contest properly every foot of the ground. The most brilliant suggestion of your whole communication, which abounds and bristles with wise things, is where you suggest that we pay back to you the money you have paid into the association. You have forgotten to add that we should also give you 8 or 10 per cent. interest on this money. There is no use, when you are in the claiming business and running a wholesale department at that, in not getting all there is. We do not care how much of a protest you make: that may do your soul a great deal of good and can't possibly do us any harm: so protest and protest, put the full protest in capital letters, underscore it and emphasize it just as much as you please and be happy. I have no doubt that the last clause before your signature in your letter is the culminating one which sums up the whole matter—that you prefer to sever your membership and receive a check for all the assessments paid in: but do not hold your breath until you get that check."

—The Hartford Fire has reinsured the Reading Fire of Pennsylvania, a company formerly represented in California.

Pacific Coast and Rocky Mountain Fire Business.

ARIZONA.

Year.	Premiums.	Losses.	Ratio.
1884	\$ 55,168	\$52,456	106.0
1885	54,631	67,088	123.0
1886	44,393	68,423	154.0
1887	54,835	19,606	35.7
1888	61,203	42,267	69.2
1889	63,983	7,978	12.4
1890	99,852	16,555	16.5
1891	61,662	8,053	13.0
1892	92,267	53,315	64.3
1893	109,009	56,275	51.6
1894	102,869	79,879	77.0
1895	119,251	31,605	26.5
1896	120,899	63,080	52.6
1897	145,763	57,917	40.0
Totals 14 years	\$1,064,886	\$561,417	52.7

DECADE OF CALIFORNIA BUSINESS.

Year.	Premiums.	Losses.	Ratio.
1888	6,097,041	3,048,030	50.0
1889	6,160,736	2,573,250	41.7
1890	6,304,813	2,755,288	43.7
1891	6,669,998	2,408,156	37.1
1892	7,007,460	2,727,908	38.9
1893	6,782,158	2,668,721	39.3
1894	6,337,060	2,815,670	44.4
1895	4,704,584	2,850,672	60.6
1896	3,802,197	2,589,517	68.1
1897	4,756,669	2,619,417	55.1
Totals for decade . . .	\$58,622,716	\$27,056,629	46.1

COLORADO.

Year.	Premiums.	Losses.	Ratio.
1882	\$ 600,919	\$300,680	50.3
1883	769,777	357,218	46.2
1884	756,068	316,340	41.8
1885	819,886	264,710	33.5
1886	812,850	379,930	46.7
1887	904,126	371,301	41.1
1888	1,120,189	390,020	34.8
1889	1,324,261	550,265	41.5
1890	1,551,059	519,549	33.5
1891	1,569,728	573,139	34.1
1892	1,723,563	827,062	48.0
1893	1,461,779	835,513	57.1
1894	1,428,619	794,651	55.6
1895	1,497,412	520,068	34.6
1896	1,562,758	1,156,375	74.1
1897	1,536,210	376,799	24.7
Totals 16 years	\$19,439,204	\$8,533,620	44.0

IDAHO.

Year.	Premiums.	Losses.	Ratio.
1888	\$ 59,141	\$ 21,429	41.0
1889	59,909	105,971	176.0
1890	87,162	71,128	81.6
1891	109,395	50,550	46.2
1892	138,644	138,222	77.4
1893	159,848	183,348	114.5
1894	183,486	232,628	126.7
1895	147,940	46,564	31.4

1896	143,458	107,750	75.2
1897	163,787	108,427	66.2
Totals 10 years	\$1,292,770	\$1,066,017	82.4

MONTANA.

Year.	Premiums.	Losses.	Ratio.
1885	\$241,376	\$150,008	62.2
1886	249,536	161,050	64.6
1887	306,075	122,463	40.0
1888	374,035	144,330	38.7
1889	479,475	289,770	62.0
1890	509,225	145,257	28.5
1891	226,217	138,303	26.2
1892	725,929	198,919	54.8
1893	643,787	253,736	39.3
1894	582,939	208,183	35.7
1895	623,912	200,284	32.0
1896	677,451	241,729	35.7
1897	661,773	244,883	37.0
Totals 13 years	\$6,301,730	\$2,498,945	40.0

NEVADA.

Year.	Premiums.	Losses.	Ratio.
1889	\$135,076	\$111,226	82.4
1890	115,745	39,477	34.3
1891	129,585	51,456	40.0
1892	152,650	61,081	40.0
1893	102,803	59,126	57.4
1894	125,224	43,142	34.5
1895	72,377	32,983	44.3
1896	71,398	10,148	14.2
1897	85,974	20,137	33.9
Totals 9 years	\$990,832	\$437,779	43.2

NEW MEXICO.

Year.	Premiums.	Losses.	Ratio.
1883	\$108,772	\$ 68,187	62.5
1884	109,754	127,473	117.0
1885	127,967	42,204	31.1
1886	111,067	46,533	35.5
1887	138,805	30,494	22.3
1888	134,938	64,363	46.6
1889	135,606	53,528	39.4
1890	143,242	55,492	38.7
1891	147,702	60,442	40.8
1892	166,000	88,270	71.1
1883	182,636	175,569	96.1
1894	133,219	78,920	59.2
1895	149,452	66,250	45.9
1896	155,938	67,509	43.3
1897	166,029	69,675	42.0
Totals 16 years	\$2,111,127	\$1,095,909	52.0

OREGON.

Year.	Premiums.	Losses.	Ratio.
1883	\$ 325,238	\$225,512	78.0
1884	356,751	268,412	75.4
1885	396,996	79,259	20.0
1886	413,290	163,890	39.0
1887	688,125	188,868	26.0
1888	419,465	136,889	32.7
1889	549,902	145,668	26.5
1890	870,359	167,737	19.3
1891	1,007,205	587,981	58.8

1892	1,232,523	723,780	59.0
1893	893,776	376,807	42.1
1894	874,210	616,611	70.5
1895	835,088	385,484	46.2
1896	853,686	405,358	47.4
1897	795,555	422,887	53.1
Totals 15 years	\$10,512,169	\$4,925,143	47.0

UTAH.

Year.	Premiums.	Losses.	Ratio.
1885	\$ 103,700	\$ 36,450	35.3
1886	109,259	31,239	28.5
1887	136,115	99,965	73.5
1888	139,564	29,061	20.8
1889	181,100	36,149	20.0
1890	265,435	153,611	57.2
1891	274,467	89,228	32.4
1892	386,542	190,183	49.2
1893	273,036	235,999	86.4
1894	362,584	150,360	41.5
1895	302,969	163,421	53.9
1896	301,049	94,133	31.2
1897	358,428	204,859	57.1
Totals 13 years	\$3,194,248	\$1,524,598	47.7

WASHINGTON.

Year.	Premiums.	Losses.	Ratio.
1884	\$ 117,966	\$ 95,658	81.7
1885	178,231	103,777	58.0
1886	183,962	86,279	47.0
1887	364,797	140,095	46.6
1888	329,251	163,152	50.0
1889	*792,999	*3,224,479	406.6
1890	1,734,656	886,633	51.1
1891	1,477,223	535,791	36.2
1892	1,416,946	791,671	56.1
1893	1,289,637	711,163	55.1
1894	1,147,583	620,892	54.1
1895	990,569	663,192	67.0
1896	1,005,797	489,700	48.7
1897	1,044,638	377,600	36.2
Totals 14 years	\$12,014,165	\$8,893,172	74.1

*Confagration year. Returns incomplete.

WYOMING.

Year.	Premiums.	Losses.	Ratio.
1882	\$ 34,052	\$ 17,896	52.7
1883	39,290	7,501	19.0
1884	62,959	25,669	40.7
1885	78,880	6,425	8.1
1886	86,675	42,705	49.3
1887	93,550	70,093	71.7
1888	98,293	24,666	25.0
1889	96,289	26,791	27.2
1890	106,157	54,247	51.1
1891	126,170	46,504	36.9
1892	126,039	26,825	21.3
1893	133,837	69,715	52.0
1894	133,750	50,140	37.5
1895	125,560	121,640	96.8
1896	121,083	24,066	18.6
1897	121,850	37,054	30.4
Totals 16 years	\$1,584,434	\$651,877	41.1

Colorado Cullings.

Frank G. White has taken a partner for life. Miss Winifred Curtis, for several years past chief clerk in the Denver agency of the Fireman's Fund and Home Mutual, having decided to share Frank's sorrows and likewise his salary, went East several weeks ago to prepare for the happy happening. When Frank prepared to follow he took everything necessary but his trunk, which he left at the depot. When this fact forcibly presented itself, Frank telegraphed a friend, who kindly looked after the trunk, which, on reaching its destination, was found to be elaborately decorated with about 40 feet of white rope and 18 yards of white ribbon made into rosettes; this no doubt was to enable the expressman to distinguish it as *White's trunk*, and "it got there just the same."

Durango has a new insurance corporation known as "The Local Security Company." Its officers are: Chas. E. Herr, president; Henry J. Arnold, vice-president; and Mr. W. S. Pickerill, secretary and treasurer. The last two names are well known to the insuring public of Durango, and the new firm certainly contains the right material to make a winning fight.

PIKE.

Utah Notes.

Special W. C. Cree is visiting the Utah agencies of the Thuringia.

Special Agent Jolly is spending the month in Colorado and Wyoming looking after the Alliance interests in those States.

Several of the insurance fraternity have gone to Manila with the Utah volunteers. Capt. Caine of the Cavalry Co. is a member of one of Salt Lake's leading agencies.

Ass't Manager John M. Beck of the Fire Ass'n, accompanied by his wife, spent a day in Salt Lake en route to Denver. John has renounced his *moustache*, and his *afable smile* is now very broad.

A. L. Jacobs has consolidated his agency with the Hugh Anderson agency, under the firm name of the "Anderson Insurance Agency," of which Mr. Jacobs is vice-president. This relieves Mr. Jacobs of the detail of the business, and he is soon to leave for a trip abroad, to be absent several months.

C. Warnock, for the past ten years connected with the Hugh Anderson agency as chief clerk, now becomes secretary of the "Anderson Insurance Agency." Mr. Warnock

is now in California. It is rumored when he returns he will be accompanied by one of San Francisco's fair daughters, and the Salt Lake Benedicts are preparing to welcome Clarence to their ranks.

ALTA.

President Sawyer of the Agricultural.

Hon. A. H. Sawyer has been elected president of the Agricultural Insurance Co. of Watertown, N. Y., by a unanimous vote. He succeeds the late President Stebbins. President Sawyer was formerly vice-president of the Agricultural.

Death of President Allen.

Ernest L. Allen, president of the German-American Fire Ins. Co. of New York, died on June 1. He had been ill some time, but his death was unexpected.

The deceased began his underwriting work in 1876, and was a special agent in the West for the Royal for several years, and afterward was assistant manager and manager of departments for several companies. In 1895 he was elected vice-president of the German-American, and a year ago he succeeded President Oelbermann, on the death of that official. President Allen was recognized as an enterprising and able underwriter.

Resignation of Manager J. J. McDonald.

J. J. McDonald, formerly on the Pacific Coast, and for a number of years general manager of the Continental's Western department at Chicago, has resigned, presumably to accept a more satisfactory position. Mr. McDonald has since been appointed general manager of the Western department of the Connecticut Fire, with headquarters in Chicago. This position has been vacant since the death of the former manager, Abram Williams. P. D. McGregor, the assistant general manager, who has been in charge meantime, has been appointed associate manager.

Manager McDonald is an experienced underwriter, who no doubt will produce some handsome results for the Western department of the Connecticut Fire. A McDonald as manager and a McGregor as associate manager ought to make an unusually strong team.

SHOULD PAY.—The Farmers' & Merchants' Fire Insurance Company of Nebraska is the defendant in a case which now goes to trial for the third time. The case is rather peculiar in that the plaintiff, Delilah Graham, had her

household furniture insured in the company, and then, having broken up housekeeping, she had the goods stored and wished the insurance to cover in the warehouse. The agent of the company was requested to alter the policy to cover in the new place, but before the policy was returned the goods burned up. The company claims that only after the policy has been written out and signed is it binding, and the plaintiff urges that the agent was the only authorized person with whom she could deal, and consequently she wants her money. The case has been to the supreme court once and was remanded for trial.—*Black & White.*

CIGARETTES.—A Denver correspondent, who read our "war bulletins" last month, calls our attention to the fact that there is no authority for the statement that any considerable percentage of the volunteers have been rejected on account of cigarette-smoking. The "eminent surgeon," quoted in the ever unreliable daily prints, is a creature of the imagination. This correction gives us occasion to say that the cigarette is more objectionable than the pipe or cigar only when poisonous materials are used in its manufacture. The cheap deadly cigarette is not composed wholly of tobacco and wrapper. To fire underwriters, moreover, the ubiquitous cigarette is objectionable because it causes many fires.

THE WATCHMAN.—A San Francisco watchman, employed according to the terms of "the watchman clause," "boozed" and fell asleep with a lighted cigar in his mouth, while "on duty" in a San Francisco planing-mill, on May 31. This was just after a holiday. The cigar fell into some shavings; fire followed; a policeman ran in and found the drunken watchman fast asleep, with one foot and leg badly burned.

SEATTLE LIFE MEETING.—A convention of agents of the Mutual Life Ins. Co. was held in the company's building in Seattle last week. Agents were present from a number of towns in Washington, Oregon and British Columbia, on invitation of General Agent Sherwood Gillespy. Prof. Stewart delivered an instructive and entertaining address, and a banquet followed.

The Manhattan Fire is going to the demnition bow-wows, sure enough. It is yoked with a wild steer, and nobody will "head us d—d fools off."

American Insurance Company of New Jersey.

GAINS IN PREMIUMS, ASSETS, AND NET SURPLUS—FIFTY-SECOND ANNUAL STATEMENT.

One of the strongest and most conservative of the fire offices of the United States is the American Insurance Company of Newark, N. J. Its net surplus of \$1,718,229 is nearly three times the amount of its paid-up capital, and it seeks quality rather than volume of premium. Therefore every year shows an underwriting profit, and the net surplus and the assets steadily advance. Progress made in the past ten years has been as follows:

Jan. 1.	Assets.	Net Surplus.
1889	\$1,965,053	\$ 956,234
1890	2,048,584	1,014,853
1891	2,115,889	1,068,580
1892	2,182,420	1,108,824
1893	2,297,474	1,142,044
1894	2,342,939	1,170,961
1895	2,450,109	1,301,071
1896	2,603,799	1,453,431
1897	2,750,142	1,607,404
1898	2,900,819	1,718,229

Do you observe? not a break in progress in either column in all these ten years past, and longer, too. Every year shows a gain in assets and a gain in net surplus.

Last year was a prosperous one for the old American, with only 46 per cent. loss ratio incurred and a big underwriting profit, duly exhibited in a gain of over \$150,000 in assets and an addition of over \$110,000 to the surplus funds. The premium income was increased also.

On the Pacific Coast, under the management of L. B. Edwards, the American increased its premium income in both California and the outside territory, last year.

THERE isn't much to be said for a law which limits legal writing on a single risk to a tenth of the capital, instead of a percentage of the gross surplus. As the law now stands, in Michigan, for example, the Grand Rapids, with only \$235,983 surplus to policyholders, is authorized to write as large an amount on a single risk

as the Liverpool & London & Globe, with \$3,000,527 American surplus. The law permits the latter big company to write only as much on a single risk as the former little company, which has only a fourteenth as much surplus.

THE following extract from Motley's "United Netherlands"—good reading these Spanish-American war days—reminds us of the great progress, in 300 years, in humane warfare, though not in fire extinguishing, if the narrative be wholly veracious:

"Three-quarters of the town were at once in a blaze. The churches, where the affrighted women had been cowering during the sack and slaughter, were soon on fire, and now, amid the crash of falling houses and the uproar of the drunken soldiery, those unhappy victims were seen flitting along the flaming streets, seeking refuge against the fury of the elements in the more horrible cruelty of man. The fire lasted all day and night, and not one stone would have been left upon another, had not the body of a saint, saved on a former occasion from the heretics by the piety of a citizen, been fortunately deposited in his house. At this point the conflagration was stayed—for the flames refused to consume these holy relics."

WHICH does the wise man prefer, low rates or perfect indemnity? the board rate and the payment of his entire loss, or a cut rate and the payment of only a part of his claim? The company that doesn't charge enough can't long be able to pay enough. Profit on fire underwriting at board rates in this country during the past seven years has been only a little over 2 per cent. Who believes that the company which cuts 2 per cent. or more can—not will—pay losses in full? Beware of the habitual rate-cutter! It does not sell indemnity; it sells only a promise of indemnity.

Diamonds Cut.

Do as they do in New York and you won't wear diamonds. A fifth of a million was recently written on diamonds in a safe in that city, at five cents for three years. The underwriter challenges anybody to prove it wasn't a safe transaction.

May Fires.**Washington.**

25. Aeme, shingle mill:	
Ins. Co. North America	\$500
1 (April) Mt. Vernon, fr bldg:	
Royal Exchange	\$1,000
30. (April) Columbia co., fr farm	
dwg:	
Svea	\$700
2. North Port, fr store bldgs	
and mdse:	
American, Pa.	\$600
St. Paul	500
Western	600
Aachen & Munich	966
Sun	500
Hanover	1,153
12. Spokane, br store bldgs:	
Springfield	\$1,105
Hartford	2,504
Ætna	1,001
Alliance	2,836
Commercial Union	2,836
24. Spokane co., fr dwg & conts:	
Scottish Union	\$500
2. Summit, fr dry kiln:	
Svea	\$1,147
Port Townsend, dwg & conts:	
Hartford	\$700
26. New Whatcom, shingle mill:	
Ætna	\$575
2. Wallula Junction, fr bldg,	
gen'l mdse:	
Ætna	\$2,000
Phoenix, London	1,425
Providence-Washingt'n	975
Palatine	1,000
Fireman's Fund	1,500
Losses under \$500	\$13,545
Total Washington	\$40,168

Oregon.

26. Coburg, fr saw mill:	
American, Pa.	\$1,500
25. Astoria, cannery and box fac-	
tory:	
Queen	\$3,010
Royal	3,390
Imperial	1,500
Lion	2,500
Ins. Co. North America	1,000
Springfield	1,000
Scottish Union	1,000
North British	1,000
National	1,000
Phoenix, London	1,000
German-American	1,000
Manchester	650
Fireman's Fund	750
Total	\$18,800

12. Baker City, planing mill:	
Home Mutual	\$1,000
Palatine	500
East Portland, fr bldg:	
Pennsylvania	\$1,090
13. Portland, mdse in fr bldg:	
Phoenix, Hartford	\$657
2. Portland, fr transfer stable:	
Caledonian	\$1,250
Scottish Union	1,250
2. Portland, fr dwg:	
North British	\$1,000
29. Harrisburg, fr dwg & conts:	
Home, N. Y.	\$1,000
19. Forest Grove, fr dwg and	
contents:	
Ins. Co. North America	\$1,223
26. Moro, fr club bldg and office	
fixtures:	
Imperial	\$1,000
Home, N. Y.	1,000
Losses under \$500	\$9,291
Total Oregon	\$38,971

Idaho.

10. Glens Ferry, dwg:	
Ætna	\$1,000
27. Canyon co., fr dwg and hhd	
furni:	
Palatine	\$500
Fire Association	2,000
15. Driggs, fr bldg & gen'l mdse:	
Hartford	\$1,750
New York Underwrit.	1,000
Losses under \$500	\$904
Total Idaho	\$7,154

Arizona.

15. Kingman, brand adobe bldgs,	
gen'l mdse and machinery:	
National	\$3,450
Springfield	2,690
Caledonian	935
Manchester	1,400
Fireman's Fund	2,875
Lion	7,935
Phoenix, Hartford	2,000
Imperial	5,266
Home, N. Y.	2,000
Ins. Co. North America	2,000
Total	\$29,651

4. Prescott, bldg and furni:	
Hartford	\$1,000
New York Underwriters	1,000
8. Prescott, gen'l mdse and fr	
bldg:	
Sun	\$989
Liv. & Lon. & Globe	1,291

25. Jerome, br assay office:	
Sun	\$850
Royal	600
31. Prescott, dwg:	
Ætna	\$1,500
2. Prescott, mdse in fr bldg:	
Liv. & Lon. & Globe	\$2,994
23. Florence, fr dwg:	
Commercial Union	\$800
20. Williams, steam laundry:	
Palatine	\$1,166
Losses under \$500	\$5,021
Total Arizona	\$46,862

Montana.

10. Aldridge, fr store bldg and	
contents:	
Orient	\$500
Sun	500
National	500
Springfield	1,000
18. Butte, hospital furni:	
Royal Exchange	\$616
13. Forsyth, fr dwg and contents:	
Home, N. Y.	\$750
8. Jefferson, dwg and barn:	
Fire Association	\$850
11. Missoula co., fr dwg & conts:	
Manchester	\$700
21. Missoula, store:	
Ætna	\$500
10. Livingston, fr gen'l mdse:	
Western	\$500
Losses under \$500	\$4,165
Total Montana	\$10,881

Utah.

31. Salt Lake, cement works:	
Hanover	\$1,500
Aachen & Munich	2,000
Royal Exchange	2,000
Queen	1,250
Phoenix, Hartford	2,000
American Central	500
Royal	750
London	2,000
Losses under \$500	\$1,106
Total Utah	\$13,106

Colorado.

9. Montrose, saloon and fix-	
tures and br bldg:	
Palatine	\$500
National	600
25. Longmont, barns and conts:	
Imperial	\$1,704
31. Gaston, fr saloon and dwg:	
Manchester	\$1,348

21. Canon City, fr dwg:	
British America	\$687
16. Leadville, bldg and tools:	
Fire Association	\$1,000
. . . Denver fr dwg:	
National, Hartford	\$694
12. Litme, fr dairy barn:	
Sun	\$800
Losses under \$500	\$3,405
Total Colorado	\$10,738

Wyoming.

10. Newcastle, fr warehouse:	
British America	\$600
Losses under \$500	\$84

British Columbia.

16. Chilliwack, fr store bldg:	
Ins. Co. North America	\$800
Losses under \$500	\$767

Alaska.

Losses under \$500	\$250
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Nevada.

Losses under \$500	\$525
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New Mexico.

Losses under \$500	\$576
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Total Outside Territory \$171,481

California.

16. Copperopolis, fr hotel and furniture:	
Phoenix, Hartford	\$750
28. Brown's Valley, fr hotel:	
American, Pa.	\$843
3. Belmont, fr dwg and furni:	
Sun	\$1,800
Hartford	860
15. Bakersfield, dwg and contents:	
Caledonian	\$600
Norwich Union	\$800
27. Berryessa, fr country store:	
Royal	\$1,558
Queen	1,168
10. Colusa co., farm property:	
Commercial Union	\$400
25. Chico, dwg:	
Norwich Union	\$500
22. Biggs, fr dwg and contents:	
London & Lancashire	\$1,000
Atlas	786
15. Fresno co., wines:	
Providence-Washington	\$526
18. Fresno, fr dwg:	
National, Hartford	\$625
. . . Fresno, fr dwg and contents:	
Home, N. Y.	\$1,776

9. Glenn co., dwg:	
Hartford	\$1,123
20. Grass Valley, lodging house:	
Ætna	\$1,000
26. Los Gatos, hotel, furni and wines:	
Hartford	\$7,000
Hanover	900
Royal Exchange	1,000
Queen	1,000
Royal	2,000
Home, N. Y.	880

Total \$ 12,780

28. Los Angeles, br bldgs and mercantile contents, gen'l fire:	
Union, London	\$ 5,500
Transatlantic	1,101
Thuringia	10,000
London & Lancashire	7,000
Atlas	3,919
National, Hartford	2,875
Hartford	1,850
New Zealand	3,300
Norwich Union	4,000
Northern	252
Connecticut	3,500
Home Mutual	2,500
North British	2,500
Scottish Union	3,000
Aachen & Munich	1,000
Royal Exchange	5,000
Royal	4,500
Queen	9,500
Springfield	2,875
Fireman's Fund	2,000
Lion	2,000
Imperial	2,000
Manchester	750
Phoenix, London	5,000
Caledonian	500
Phoenix, Hartford	10,200
London	1,100
Svea	5,000
Ins. Co. North America	2,500
Western	10,000

Total \$115,252

25. (April) Los Angeles, billiard hall:	
Aachen & Munich	\$715
28. (April) Los Angeles, fr dwg:	
North Brit. & Mercan.	\$500
20. Los Angeles, fr dwg & contents:	
Connecticut	\$550
2. Los Angeles, fr barn:	
Home, N. Y.	\$600
8. Los Angeles, dwg:	
Northern	\$500
10. Los Angeles, fr dwelling and hhd furni:	
New Zealand	\$609

. . . Los Angeles, dwg and furni:	
New Zealand	\$800
8. Los Angeles, fr dwg:	
Thuringia	\$2,000
22. Monterey, dwg and contents:	
Atlas	\$2,000
27. Oakland, stk groceries:	
Hartford	\$700
. . . Napa co., fr dwg:	
Home Mutual	\$1,500
31. Oakland, wall paper stock:	
Hanover	\$879
14. Murphys, dwg:	
Fireman's Fund	\$500
13. Mendocino, fr cottages:	
Manchester	\$750
27. Oakland, bldg:	
Ætna	\$697
8. Oakland, fr barn:	
Phoenix, Hartford	\$500
. . . Oakland, dwg:	
New Zealand	\$800
7. Sacramento, br theatre bldg, malt house and contents:	
Connecticut	\$1,950
Ætna	900
Ins. Co. North America	600
Fireman's Fund	1,400
Prussian National	1,313
Queen	875
Royal	1,750
Scottish Union	1,000
Alliance	1,312
National, Hartford	1,000
Phoenix, London	2,468
Providence-Washington	1,031
North German	551
Pennsylvania	2,000
Imperial	1,675
Lion	1,500
Hamburg-Bremen	520
Home, N. Y.	2,504
Total	\$24,349

10. Sacramento, photo gallery:	
Phoenix, London	\$750
4. Sacramento co., barn:	
Baloise	\$1,100
11. Sacramento, mdse in br bldg:	
Liv. & Lon. & Globe	\$500
11. Sacramento, fr dwg:	
Sun	\$1,143
2. Sacramento, fr warehouse:	
Lancashire	\$2,000
2. Red Bluff, fr church bldg and dwg:	
Traders	\$ 700
Palatine	7,462
National, Hartford	1,000
12. Redding, saloon stock:	
Springfield	\$600

10. Randsburg, lumber and office
bldg:
Orient \$1,000
Sun 500

12. San Diego, hhdld furni:
Orient \$1,500
Sun 600

28. San Luis Obispo, fr dwg:
Thuringia \$1,000

27. San Luis Obispo, fr dwg and
contents:
Connecticut \$600

3. Santa Clara co., fr dwg and
contents:
Connecticut \$515

1. San Diego co., fr dwg:
Thuringia \$800

12. Red Bluff, fr dwg and conts:
Thuringia \$800
Home, N. Y. 671

. San Diego, fr dwg:
Royal \$3,000

24. San Luis Obispo, fr store
bldg and gen'l mdse:
Ins. Co. North America . \$500
Caledonian 500
London & Lancashire . . 650

18. Sonoma co., dwg:
Ætna \$1,075

. San Diego, fr dwg & conts:
North British \$900

2. Santa Barbara, fr dwg and
contents:
Phoenix, Hartford . . . \$900

21. San Mateo co., fr dwg and
barn:
Commercial Union . . . \$375

30. (April) Sonoma co., dwg and
contents:
Home Mutual \$2,496

. West Saticoy, fr dwg & conts:
American, N. J. \$1,600

. San Leandro, fr barn:
Home, N. Y. \$500

12. South Park, hotel bldg and
contents, and general mdse:
Ætna \$ 750
Royal 1,750
Liv. & Lon. & Globe . . 1,500
Pennsylvania 2,200
Traders 1,000
Palatine 5,089
American, N. J. 500
Manchester 750
Caledonian 750

Total \$14,289

Losses under \$500 . . . \$ 50,138

Total California S. F. ex. \$283,460

San Francisco.

2. Contents of skating rink:
Pennsylvania \$800

31. Fruit dryer:
Royal \$670
Ins. Co. North America . 670

26. Steamer:
Manchester \$1,300
Caledonian 1,300
American, N. J. 780
Royal 1,000
Thuringia 840
Fireman's Fund 600

20. Household furniture:
Alliance \$1,501

3. Printing office and brick
building:

Liv. & Lon. & Globe . . \$1,068
Royal 2,412
London & Lancashire . . 2,140
Home Mutual 734
Ins. Co. North America . 500
Thuringia 2,923
National, Hartford . . . 3,907
Phoenix, London 1,767
North German 1,267
Queen 3,080
Springfield 3,228
Hanover 1,933
Atlas 1,226
Aachen & Munich 967
American, Pa. 1,267
Svea 1,117
Royal Exchange 1,526
Norwich Union 1,267
Milwaukee Mechanics . . 838
Greenwich 1,117
German Alliance 1,689

Total \$35,973

13. Dwelling:
German-American \$800

Losses under \$500 . . . \$ 15,726

Total San Francisco . \$61,960

Total California . . . \$345,420

Total Pacific Coast . . \$516,901

Losses by Companies.

Aachen & Munich \$ 6,627
Ætna 12,880
Agricultural 205
Alliance 6,240
American, N. J. 4,386
American, Pa. 4,210
American Central 749
Atlas 9,495
Baloise 1,177
British America 2,248
Caledonian 6,085

Commercial Union 5,703
Connecticut 9,669
Fire Association 1,495
Fireman's Fund 12,764
Franklin 643
German Alliance 1,691
German-American 2,368
Greenwich 1,170
Hamburg-Bremen 857
Hanover 6,629
Hartford 20,094
Helvetia 384
Home, N. Y. 12,928
Home Mutual 8,224
Imperial 14,002
Ins. Co. North America . . 12,344
Lancashire 2,822
Lion 13,237
Liverpool & Lon. & Globe . 10,692
London & Lancashire . . . 12,746
London 3,585
Magdeburg 678
Manchester 10,472
Merchants 347
Milwaukee-Mechanics . . . 1,127
National, Hartford 17,103
New Zealand 6,468
New York Underwriters . . 2,238
Niagara 1,007
Northern 1,173
North German 3,092
North British & Mercant. . 8,512
Norwich Union 7,867
N. W. National 5,000
Orient 5,548
Palatine 17,723
Pennsylvania 6,690
Phoenix, Hartford 18,613
Phoenix, London 14,701
Providence-Washington . . 3,732
Prussian National 1,315
Queen 20,502
Royal Exchange 12,554
Royal 24,186
Scottish Union & Nation'l . 8,535
Springfield 12,979
St. Paul 810
Sun, London 10,122
Svea 9,796
Traders 1,759
Transatlantic 1,385
Thuringia 19,734
Union, London 6,105
Union, Pa. 600
United States 26
Williamsburg City 1,395
Westchester 1,087
Western 11,688

Total \$516,901

LOSSES TO JUNE 1, 1898 \$2,040,018

LOSSES TO JUNE 1, 1897 \$1,544,722

Assistant Manager Thomas J. Conroy.

The representatives of the Manchester, Caledonian and American, who recently visited this Coast, selected for the position of assistant manager of the Pacific department, under Manager Edwards, Thomas J. Conroy, a young man of extensive experience in office and field work.

Mr. Conroy began his underwriting career in 1879, with Alfred Stillman, who then represented the original Manhattan Fire and the Mercantile of Cleveland. From this place he went into the Fireman's Fund office. When the Portland compact was organized, Mr. Conroy was appointed deputy manager, under Manager Stillman. In 1884 he was appointed manager. In May, 1885, after a brief term of service for Balfour, Guthrie & Co., as special agent, he was appointed assistant manager of the new Pacific Insurance Union, and placed in charge of the Northwest field.

From this time until the dissolution of the Union and the suspension of its successor, in 1895, Mr. Conroy retained the position of assistant manager. In August, 1895, he was appointed special agent for the Hartford Fire, succeeding Whitney Palache in the Pacific Northwest.

Mr. Conroy, as is evident from the foregoing, is exceedingly well qualified for the position he has been selected to fill. The managers have made a good selection, and a vacant place is now most satisfactorily filled.

Congregations that Gamble.

Country churches burn, and they are struck by lightning, and neither tornado nor cyclone turns aside for them. Wise trustees, therefore, recognize the duty of the congregation to distribute these inevitable losses, and make them light and bearable, through the medium of insurance; which, after all, is only a system of collection for the sure relief of the distressed.

But congregations are prone to shirk this duty, though losses come and the cause of religion is injured thereby. It is even said that men who protect their own

property with a policy, are wickedly indifferent as to the fate of their own or their neighbors' church property. Though condemning gambling as wicked, they are willing to bet the amount of the premium—by default or by refusing to insure—that no loss will occur.

Up in Montana there is a congregation which is gambling in this way. Worse, indeed, this congregation has to be importuned over and over again to pay an overdue premium, as the reader will see by the following correspondence between the justly indignant pastor and the local agency:

MANHATTAN, MONT., May 22, 1898.

GENTLEMEN:—We are taking steps to pay for the policy last issued on our church. We hope to have it around before long. We shall not have it renewed. It is almost impossible to raise money for such a purpose. Mammon has such a grip on the people they have no time for the cause of the dear Redeemer. But the judgment day will reveal the fact that money and selfishness will not save them from the fiery furnace. Every man "must stand before the judgment seat of Christ." Money will be found a poor cloak in that day when the world is on fire. Righteousness will stand in that awful day.

Yours truly,

L. L. TOWER.

Report of the Examination of the Mutual Reserve Fund.

Supt. Payn of the New York insurance department sends us a copy of the results of the examination of the Mutual Reserve Fund Life Association. On the whole, the report is somewhat in favor of the association. The superintendent pronounces it "solvent," according to a standard which does not apply to regular life insurance companies.

The report of "solvency" reminds us that the New York department has in the past, under a former superintendent, set the stamp of its approval on a Minnesota company which was insolvent at the time and went to pieces soon after. As we have said before, there can be no standard of solvency for a speculation like the Mutual Reserve Fund. It can survive if it charges enough and has charged enough



THOS. J. CONROY,
Assistant Manager Pacific Department
MANCHESTER, CALEDONIAN, AMERICAN, N. J.

for its goods. Supt. Payn says "inadequate" premiums were collected in the earlier years to 1889—and we add, "and since, also." These inadequate premiums have left a huge deficit, which the survivors and newcomers must pay, or the association must burst like the bubble it is. The superintendent says:

"It is apparent that during the earlier years of the association's existence, absurdly inadequate premiums were collected from the older members, while from the persistent younger members it appears from "Exhibit A," of the assistant actuary's report, that the premiums collected were adequate, measuring the same by the tabular mortality cost. This is but another instance of lack of knowledge of the elementary principles of life insurance displayed by the earlier management."

The persistent dishonesty of the management is lightly touched, as follows:

"I consider it proper to call attention, by way of criticism, to that which, in my opinion, has caused many of those becoming members of this association to fail to comprehend the nature of the contract they received. I refer to the comparative showings issued six times each year by the association to its policyholders when levying its bi-monthly calls, and which contrast the relative cost of a two-months' renewable term policy with rate at age of entry given for fifteen years, with the level premium rate upon a policy for whole life at corresponding age and paid for the same period—fifteen years—and having ascertained the difference, publish it as the excess cost of the latter plan, thereby indicating the amount saved by the former. No such comparison should be made by the association, and the department recommends its discontinuance in the future for the reason that same cannot with equity be made."

The association has \$300,000,000 insurance in force, a decline of nearly \$24,000,000 in a year. The reserve fund for the protection of this \$300,000,000 is the pitifully small sum of \$3,276,878. In a regular life insurance company it would be over twenty-five times as much.

Of about a third of the membership there has been a deficiency between receipts and payments of \$852,876. These members belong to the "fifteen year

class." Their rates have been increased several times, too. The boasted reserve fund turns out to be merely an ornamental feature, for notwithstanding this deficiency, not a cent of it can be applied to the relief of the members whose assessments have been increased and re-increased.

The bond statements, the superintendent says, are not a liability. The association is criticised in the matter of these bonds.

The amount of unpaid death claims is \$1,737,884. In a regular company incurring about the same amount of losses, the amount unpaid at the same time was less than \$400,000.

The amount resisted by the Mutual Reserve Fund was \$184,500. The amount resisted by the aforesaid regular company, at the same date, was only about one-seventh as much, though incurring the same amount of losses. Do you believe that the Mutual Reserve Fund resists only unjust claims?

Frankfort-American Accident Ins. Co.

This new New York company has completed its organization, and has been licensed by the New York insurance department. Voss, Conrad & Co. will represent the Frankfort-American on the Pacific Coast.

Thuringia-American Ins. Co.

United States Manager Voss of the Thuringia has about completed the organization of the new Thuringia-American of New York. The capital of \$200,000 and surplus of \$100,000 have been paid in. Voss, Conrad & Co. will also represent this company and the new Frankfort-American Accident on this Coast, in due time.

The Citizens Ins. Co. of Chicago.

The fellows who have been doing guerrilla work behind the so-called "London Fire Office," with headquarters in Chicago, are now behind the so-called "Citizens." One Shanklin, formerly with notorious Indiana wildcats, is probably the captain of the band. A capital of \$100,000 is claimed, but nobody has seen it. The ability to get up such a humbug without being molested will not be cited as proof of the value of State insurance supervision.

The Situation in Denver.

Recently the lot of the Denver agent, general and local has not been a happy one. The Western Union of Chicago, which has jurisdiction, is trying hard to straighten things out, with some show of success at the time of this writing. High commissions have been the rule. Recently a large conservative office, thrown out of one agency because it would not pay more than 15 per cent. commission, went begging, and everywhere was told that no 15 per cent. companies were needed. The situation is similar to that in Santa Cruz not long ago, when the refusal to accept the agency of a 15 per cent. company resulted in a cut of 90 per cent. in the rates.

A prominent underwriter wrote to a Chicago paper and described the situation, saying:

"The paying of brokerage to real estate and loan men is freely acknowledged by a majority of agents, and merchants are now being approached with similar inducements, making conservative local men have a worried look. The passing of rebates to the companies without the knowledge of the compact officials is growing apace. The board management is powerless, as neither companies nor agents are giving it proper support. Since January some of the recent additions to the union have reduced their commission squarely and honestly; others have adopted ingenious devices to get away from their obligations. It is not often pleasant or profitable to mention names and arouse antagonism in such cases; but it can and will be done if some decisive action is not soon taken to put companies on an even basis."

"Denver, with its \$600,000 of premium receipts, and an average loss ratio of less than 10 per cent. during the past ten years, is the bone of contention among all companies. The prominent agency companies, which have led in income in Colorado for some years, with few exceptions suffered a loss in receipts of 1897. The exceptions were mostly companies having "underwriter" attachments. The leaders are not taking this set-back with any degree of complacency and are pushing hard for business in 1898. Denver agents are, of course, receiving a good share of this pressure, and the strife in this city is bringing with it an increase of bad practices. There are 106 companies represented here, twenty-one

represented by general agents, of which number eleven secure their local business through the representation of their general agents. Of the nine companies whose general agents do no local business four occupy the same office with the local agent. There are thirty-six resident special agents, fifteen of whom are also local agents. Of the twenty-one field men not doing a local business, fifteen offices with or immediately adjoining their local agents, leaving but six who have independent offices."

Sold!

The Guarantors Finance home office building, costing \$225,000, sold for only \$105,000. But Manager Loper sold it to the company.

The Home of Utah.

SALT LAKE CITY, May 30, 1898.

Editor Coast Review:

The annual statement of this company has been filed in the office of the Secretary of State of Utah, and now being public property, there can be no objections to a careful perusal and ascertainment as to whether it presents facts as to its financial conditions.

The statement presents the following sworn evidence as to its assets and liabilities:

RECEIPTS.

Premiums	\$56,148.84	
Less reinsurance	35,841.34	
Net Premiums		\$20,307.50
Premium Notes	3,718.56	
Rent	3,516.99	
Interest and Dividends	13,313.00	
All other sources	692.83	\$17,522.82
		\$37,830.12

DISBURSEMENTS.

Subsequent Losses	\$37,777.56	
Plate Glass "	88.55	
Re-insurance	25,014.51	
Net losses, 1897	12,763.05	
Plate Glass Loss 1897	88.55	
Commission and brokerage	3,392.77	
" Plate Glass	154.68	
Taxes	1,177.09	
Insurance fees	313.50	
License	25.00	
Advertising	315.40	
Legal expense	250.00	
Repairs	394.87	
Miscellaneous	2,147.03	
Salaries	700.00	
Dividends	15,875.00	
		\$37,596.94
Balance	233.18	
		\$37,830.12

ASSETS.

	Book Value.	Home Sta't. Market Value.	Cash Market Value.
73½ x 110 ft. Land on which office stands, valued at \$700 per front foot . . . \$		\$ 50,750	\$ 36,000
Office building (included)	87,000	7,250	6,000
129 x 148½ ft. vacant lot in Logan	12,000	9,000	2,700
3 Bonds Sumter Valley R. R.	3,000	3,000	3,000
1 Alta Club note 20 yr. coup.	1,000	1,000	1,000
820 shares Z. C. M. I. stock	82,000	94,300	94,300
282 " Co-op. Wagon Co.	28,200	28,200	28,200
92 " Deseret Nat. B'k	9,200	18,860	18,860
21 " Deseret Sav. B'k	2,100	2,100	1,785
80 " State Sav. Bank	8,000	4,800	4,800
12 " Ogden " "	1,200	600	540
42 " Thatcher Bros. B'k	4,200	4,200	4,200
20 " Clark, Eldridge & Co.	2,000	1,500	1,400
442 shares Provo Woolen Mills	44,200	22,100	11,050
85 shares Ore. Lumber Co.	8,500	8,500	8,500
Cash in Bank	503	503	503
Cash in hands of agents . .	5,472	5,472	5,472
Bills receivable	1,550	1,550	?
Premium notes	5,199	5,199	?
	\$305,325	\$268,885	\$228,311
Deduct—			
Undivided profits		\$6,357.64	
Ratio of net loss incurred to net premiums earned			63.33%
Ratio of net expense incurred to net premi- ums earned			36. %

The first startling revelation is that out of a total premium income of \$56,148.84, only a net premium income of \$20,307.30 is retained by the Home. Surely, General Agent Grant has little faith in his pet company when he reinsures 64 per cent. of its income.

Receipts from all other sources, rents, dividends, interest, etc., amount to \$17,522.82, a gross profit on the entire invested capital and assets of the Home of only 5.7 per cent., showing that the investments must be of a poor character for home securities.

The Home makes a strong bid for patronage in the daily papers of Salt Lake City, by advertising *prompt payment of losses*, and yet the first item of "disbursements" is \$37,777.56 for "subsequent losses"; yet their last annual statement claims the total losses for the year 1896 to be only \$7,995. If this is correct, how long have these old losses been unpaid?

The Home has about 130 agents in the State of Utah who should know that they are sending their business to General Agent Heber J. Grant and are receiving 15 per cent. commission therefor, while Mr. Grant sells \$35,-\$41.34 of the total income to reinsurers that

many of these same agents are also acting as local agents for. He pays but \$25,014.51 to the reinsurers for carrying 64 per cent. of the entire liability of the Home. Agent Grant thus receives over 30 per cent. commission for the very business he is only paying the loyal Home local agents 15 per cent. for.

One item of disbursements is \$15,875 dividends. Where did the money come from? It is stated by those who profess to know that the shares of the Salt Lake Theater have been divided between the directors of the Home as a dividend. It is certainly a significant fact that this stock was one of the assets in the statement of 1896 and is not given as one of the assets in this statement.

Are the assets stuffed? The first two columns of the statement, headed "Book Value," and "Home Statement Market Value," show the figures taken from the sworn statement filed with the Secretary of State. The figures in the third column, "Cash Market Value," give the figures at which the same stocks can be purchased in open market, and is all that the Home could realize on its assets if sold at the highest market value to-day. This shows very clearly that the book value of \$305,325.79 is not correct, and the cash market value of \$228,311.04 being the highest figure obtainable, shows \$77,014.75 that must be deducted for shrinkage in value for "Home securities."

The Home owns 73½ x 110 feet on State street, on which the office building stands, that is valued by careful real estate men at not over \$475 per front foot, and if put up at auction to-day would not sell for \$450 per foot in cash. The lot in Logan is 129 x 148½ feet, with no improvements, and could not be sold for \$2,500.

The Home had \$233.18 in *cash*, the only available assets with which to pay losses, on the 1st day of January, 1898, and yet it is allowed to continue in business, although it admits

a loss ratio of	63.33%
an expense ratio of	36.00%
a total of	99.33%

In any other State in the Union this statement would cause an investigation by the insurance commissioner, and an early winding up of the affairs of this worse than bankrupt corporation.

EYE SEE.

—The plate-glass compact looks as if there had been a powder-mill explosion in the neighborhood.

North British & Mercantile Insurance Company.**LARGE GAINS IN ASSETS AND SURPLUS—
SEVENTY MILLIONS OF FUNDS.**

Notwithstanding the fact that unusual losses were incurred by the company in the London, Melbourne and Canada conflagrations last year, the general loss experience of the North British & Mercantile Insurance Company was very favorable. Transacting business over all the earth, a long series of conflagration losses would be necessary to seriously affect the loss ratio of this great company, with its millions of premium receipts; and it is not with surprise that we note the loss ratio of only 50 per cent. in 1897.

Gains made in the resources of the company will attract attention, for a million added to the fire assets and over seven hundred thousand added to the net surplus are gains seldom equaled in volume. The income of the fire department was \$7,766,172. Losses and expenses were \$6,047,742, leaving a marvelously fine balance on the year's fire underwriting and interest earnings. Giving due credit to improved conditions of underwriting generally, we must also give credit to the management which has produced handsome results in unfavorable years.

The gross assets of the North British & Mercantile are \$70,000,000, making it the largest fire office in the world in respect to accumulated funds; but after deducting the funds of the life and annuity departments, there is left the extraordinary sum of \$19,169,812 entirely subject to the claims of the holders of the company's fire policies. Of this amount \$10,860,454 is net surplus, and \$14,297,954 is surplus as regards policyholders.

The United States department of the North British has \$4,380,505 invested in this country, \$2,103,877 of which is surplus, constituting special security for American policyholders. United States Manager Bowers is making a fine record of increased and profitable business. Gains were made last year in assets, sur-

plus, premiums, income and underwriting profit.

The Pacific department, of which Tom C. Grant has long been the general agent, increased its premium income from \$168,169 to \$205,944 last year, and incurred a loss ratio of only 38 per cent. The North British & Mercantile has always made money in this field under General Agent Grant's management.

IT HAS \$25,000,000 assets, and pays no commissions, preferring to deal directly with the public. Whether it pays higher dividends accordingly is not stated. We refer to the Equitable Life Assurance Society of London, now 138 years old. It is possible that the future has in store the universal practice of life offices to write business over the counter only—when the public is educated up to the point when to be uninsured is disgraceful and a sign of moral or physical degeneration. An ideal life company would be one with a limited membership, with applicants awaiting their turn to be admitted. Some day there may be such a company.

WITH the companies losing money generally on church property, the trustees of the Methodist Episcopal Church seem bent on swapping coin for experience in a church insurance company, the profits to go to the support of "the superannuated." Just why the church doesn't go into the lumber business also, for the construction of churches, and into the coal business for the heating of churches, may be explained by the trustees later on.

THE question nowadays, according to a multitude of accident verdicts and decisions in courts low and high, is not, What is an accident? but, What is *not* an accident?

Policy lapsed for non-payment of premiums, and it was a case of suicide, but a Kansas City jury found the deceased innocent and the company guilty.

G. W. Grossenbach, assistant secretary of the Milwaukee Mechanics, succeeds the late A. J. Cramer as secretary.

Good Money Thrown Away.

The proprietor of the Frank tannery at Redwood City, Cal., was "favorably impressed" by the Lincoln Fire Ins. Co. of New York, which offered "reasonable rates" and was "not in the Board." The good impression did not last, however.

The tanner was of pronounced opinion that Board rates were too high, though it does not appear in the record that he ever had any experience in rating tanneries for underwriters. The Lincoln Fire, doing an unlawful business right under the nose of negligent Insurance Commissioner Clunie, confirmed him in this ill-founded opinion. The tanner therefore placed a large amount of insurance on the tannery in this New York wildcat, and paid a premium large enough to pay the difference in rates for a number of years.

He might better have thrown his good coin into the sea, for not only did he get nothing in return, but had a partial loss occurred, the solvent companies, under the contract, would have been required to pay only a proportion based on whole amount carried, including the alleged insurance in the defunct Lincoln Fire of New York. Fortunately, as it happens, the tanner is "out" only the large premium paid the wildcat.

This incident should serve as a sufficient warning to property-owners who have any lingering faith in the value of cheap fire insurance. Let them consult the advertising pages of the *Coast Review*, and if they do not find the card of the soliciting company or agents, conclude that the probabilities are the company is a wildcat, or at least a claim-shaver, and not entitled to confidence. Investigate!

Institute of Actuaries Work.

At a jubilee dinner of the Institute of Actuaries, at which 250 gentlemen were present, one of the speakers (Mr. Manly) referred to some of the work of the society as follows:

In 1863, the council determined that they would have an improved table representing the mortality amongst insured lives. With

great trouble and labor they collected together the experience of 20 British offices and that table of experience was represented by particulars based on 180,000 cards. At that time it was undoubtedly the greatest work undertaken, and the table based on it became the standard table of mortality on insured lives throughout the world. But the institute knew no finality and it had recently undertaken to do a far grander piece of work, seeing that during recent years the mortality had grown considerably lighter—they could not say exactly in what direction, but there was no doubt there had been an improvement, from the improvement in surgical science, the improvement in sanitary science and he thought in the habits of the people also,—it was desirable, he might say absolutely necessary that they, experts, should find out the latest state of that mortality as distributed over the ages which was the basis upon which all their calculations rested. They were now collecting the experience of 60 offices during the last 30 years so as to exclude the former period of what they might say insanitary conditions. The experience was covered by 1,070,000 cards which represented the policies of assured lives, and about 34,000 cards which represented annuities purchased. That should certainly give them an experience upon which they might safely base all their future calculations. He would not venture to say that the Institute of Actuaries or some other bodies would not undertake investigations in the future for there was no reason why the improvement in the mortality should not go on.

The *Review* of London says: "The Spanish man is brave, patient, economical and truthful. The moment the Spanish man is promoted to a position where he has to govern others, from some reason not yet defined, he straightway runs crooked on the average, but personal bravery seems to be, as a rule, a remaining virtue. We have no hesitation in saying that, in our opinion, the Spanish government ought to have been put out of Cuba half a century ago. Cuba has simply been a pasture land upon which Spanish officials fatten. It is possible that certain European powers may feel it incumbent upon them to interfere—we trust it will not be so. When that moment arrives, it will be time enough for Great Britain to speak; and that Great Britain will speak, and that to the point, there can be no doubt, but it will be in a way as to which our American cousins need have no anxiety. We will keep the ring clear, anyhow. The war can only end in one way, and that is by the triumph of the United States."

The Union Mutual Fire of New Jersey has failed. Next!

City Trust, Safe Deposit & Surety Company.

The annual statement of this strong Philadelphia company gives the following totals:

Cash on hand and in bank	\$ 555,939
Call loans	774,928
Other assets	1,437,823
Total assets	2,768,690
Capital and surplus fund	650,000
Undivided profits and reserve	187,462

Ed. E. Potter is resident assistant secretary for the company. H. Wadsworth is resident vice-president. Both these San Francisco officials are empowered, by resolution of March 7, 1898, to take such action for contracts in California as the head office officials are authorized to take: the resident vice-president to execute bonds or contract of suretyship, and affix the corporate seal; the resident secretary to attest the corporate seal to any and all bonds or contracts of suretyship in California, signed by the resident vice-president.

Resident Secretary Potter is now prepared to issue bonds of suretyship for employes, contractors and in the courts. The City Trust, Safe Deposit & Surety is a solid financial institution, as set forth in the brief summary of its resources printed above. With over two and three-quarter millions of assets, over \$800,000 is surplus as regards policyholders. The paid-up capital is half a million.

The company becomes surety for the fidelity of officers and employes of banks, trust companies, railroad and express companies and other corporations. It also becomes surety upon contracts with the different States, cities, and with the National government. It is approved by the courts as sole surety for receivers, assignees, committees, administrators, executors, etc., and in cases of attachment, replevin, etc., where bonds are required.

FROM the moment he took office, the Kansas superintendent of insurance has taken the part of a demagogue. He has always taken sides with fraud and humbug; he has always looked out for No. 1, for whom he has never hesitated to vio-

late his oath or sacrifice the interests of the people. A renegade in politics, a monstrosity in morals, he is the official creature of a machine and the psychical product of degenerative tendencies. Only asylums and the insurance department of California can furnish his parallel.

The Co-Insurance Clause.

The rich men's anti-co-insurance bill in the Massachusetts legislature failed to get a third reading. Only big property-holders and their tools oppose the co-insurance clause.

Not Afraid.

Wanamaker, whose life is insured for \$1,500,000 or \$2,000,000, has been talking of raising a regiment and leading it to Cuba's capital. The life companies have not yet manifested any uneasiness over the possibilities.

General Manager Geo. E. Kline.

Geo. E. Kline, assistant general manager of the Western department of the Continental Ins. Co., has been appointed general manager. This department, which has its headquarters in Chicago, embraces all the Pacific West in its jurisdiction. Mr. Kline has visited the Pacific Coast several times. He has the reputation of being a keen man of business and a thorough underwriter.

Politics.

COLORADO CLUB.—The correspondent of the *Inter-Ocean* is very severe on this association. He says: "The governing committee of the Western Union can bring about a decided improvement in present conditions by devoting a few hours of consideration to Denver and its needs, and while its eyes are turned mountainward it might be well to inquire into the demand for the recently organized Colorado Underwriters' Club. It is ostensibly a social body, but is in reality organized to influence future State legislation, and to forward the claims to political honors of men engaged in, or pecuniarily attached to, insurance interests. It appears a trifle absurd to further such a scheme, when the resident general, special, and local agents, assisted by the most prominent business men, have been able by open and friendly arguments to defeat the passage of every bill adverse to legitimate insurance interests that has ever been introduced in the Colorado legislature. During the past two sessions every objectionable bill, famous or

infamous, in other States, has been submitted, and either killed in committee or by open vote of the legislative body. Until some proof is shown that Colorado has lost its business and common sense it might be wise to let well enough alone."

April and Mars.

April is the war month of America. Lexington's shot heard round the world was fired in April. Ft. Sumter was fired on in April. Spain refused to receive U. S. Minister Woodford's instructions and war followed in April. The rate-war broke out in New York in April.

Town Reservoir.

Pomona, Cal., has a reservoir 100 feet in diameter and 16½ feet deep, holding a million gallons. It has a water-proof tar and gravel roof supported by a central column of masonry. The reservoir cost \$3,500 and \$3,500 for the pumping plant. Over 475 barrels of cement were used.

The American Spaniards.

"Spaniard" writes: "There are no more despotic officials, no more contemptible bureaucrats, in Spain, than some of the insurance commissioners of the United States." What can we reply to such an accusation? Only this, that these cases are exceptional in this country, and not the rule as in Spain and her colonies. In one case, too, the self-respecting governor kicked the insurance commissioner out of office.

Coast Agents are not to Blame.

Denver Demoralization.—A correspondent of the *Inter-Ocean* writes: "There is a remedy, but the medicine is bitter. It is customary to attach a large part of the censure to the companies whose business in this field is reported to San Francisco, and there is some foundation for such an opinion, but let it be said, to the everlasting credit of the Pacific coast general agents, that most of them have never descended to deceit, but have openly and above board admitted and defended their position. If the companies will have their Denver general agents discontinue carrying on a local business and cease harboring their city representatives in their office; if they will cancel their special agency appointments of local agents, and instruct their field men to select office accommodations away from local representatives; if no indorsements, amended daily reports, rebate receipts, or accounts current would be accepted or tolerated except with the approval stamp of the compact office,

there would be small trouble in making 15 per cent. the basis of compensation, and in the agents' minds some respect would be aroused for their superior officers, and some idea of the dignity of the business. Failing in this remedy, there will surely come an open warfare of rates to force company co operation, or a startling reduction of the present city tariff to bring about the support of local agents to the requirements of their own local board agreement."

A Singular Demolition Ordinance.

Atchison, Kan., has an ordinance compelling the demolition of all buildings damaged to the extent of half the value. At a recent fire a dwelling was damaged to this extent, and although the insurance loss was only half, the insured demands the full value, a sum just equal to the face of the policy. The demand is made on the ground that the loss is total, under the city ordinance, and that the State law makes the face of the policy payable where loss is total, regardless of actual value.

Pacific Western Fire Business by States in 1897.

Rank.	Premiums.	Losses P'd.	Ratio.
1 California . . .	\$4,735,669	\$2,619,417	55.1
2 Colorado . . .	1,525,756	376,799	24.7
3 Washington . . .	1,044,638	377,690	36.2
4 Oregon	813,421	428,892	52.7
5 Montana	661,773	244,883	37.0
6 Utah	353,428	204,859	57.1
7 New Mexico . . .	166,029	69,675	42.0
8 Idaho	164,075	108,427	66.2
9 Arizona	145,763	57,917	40.0
10 Wyoming	121,850	37,054	30.4
11 Nevada	85,974	29,137	33.9
12 Alaska	46,049	5,576	12.1

Grand totals . \$ 9,890,425 \$4,560,326 46.1

Useless Work which Would Cost Thousands of Dollars.

Commissioner Clunie is still East, and seemingly is not anxious to hear Judge Morrow's decision. Andie has his headquarters in the offices of the Continental Ins. Co., Cedar street, New York city, where he invites "communications." He has sent out letters, dated New York, June 1, "requiring" life offices to furnish "Me," on or before July 1, 1898, with a "complete history in writing" of all policies on lives of Californians, forfeited for non-payment of premiums after the payment of three annual premiums. The officers of the life companies are trembling in their boots so hard that their sky-scrappers are

swaying on their foundations. The unique Clunie is a mighty man indeed. Our army in Cuba needs him where the bullets are thickest. Having a strong "pull" he would be useful about the ammunition-wagon.

Assistant Manager E. T. Niebling.

The well known special agent, E. T. Niebling, who for the past twenty years has been engaged in insurance work in this field, has been promoted to the position of assistant manager of the Pacific department of the Commercial Union and Alliance, under Manager Mullins. We print elsewhere, as a timely contribution to the value of this book, a fine portrait of Assistant Manager Niebling.

Mr. Niebling is a native of Michigan, and came to California in 1875. He began insurance work in 1878 as clerk, in the office of Hutchinson & Mann (now Mann & Wilson). Promotion to a higher position soon followed. In 1882 he was made a special agent, and his initial work very quickly indicated strength and adaptability in this line of labor.

In 1884 Mr. Niebling went with the Commercial Union as special agent and adjuster, and has continued in the service of that company ever since. From 1888 until last fall he had general supervision of the Commercial Union for the Pacific Northwest, and contributed very materially to the building up of the company's handsome business in that field.

A little over eight months ago, in October, 1897, Mr. Niebling was called to the San Francisco office to assist Manager Mullins. On the 28th of May Manager Mullins appointed him assistant manager, the appointment being subsequently confirmed by cable from the head offices.

Assistant Manager Niebling is now in charge of the business of both companies on this Coast, during the absence of Manager Mullins, who is in Europe.

Mr. Niebling has not only earned this promotion by long, faithful and able service, but he is exceptionally well fitted for the position by experience and executive ability. He is a hard worker, a close observer and a conservative underwriter.

The Manchester, Caledonian and American Combination.

Until quite recently the Pacific department of the Caledonian and Manchester reported to the home offices, and not to the United States branches. This arrangement, of course, did not facilitate the rapid handling of business, and it was not altogether satisfactory at either end of the line of communication.

When Manager Edwards was in New York last fall the subject was discussed and it was decided that it would be to the interest of all concerned to effect a change, whereby the Pacific department reported to the American managers of the two British offices. The new arrangement has proved more satisfactory to all parties concerned.

Manager Post of the Caledonian and Manager Wensley of the Manchester visited the Coast last month to familiarize themselves with the new district added to their departments. They returned home *via* Portland and the Sound, and took a look at the Northwest country.

While in San Francisco Messrs. Wensley and Post examined the business of the Coast department, and were joined by President Harris of the American of New Jersey, who has been visiting California for some time. The gentlemen express themselves as well pleased with the results of their investigations. They have also given Manager Edwards an assistant manager. The appointment of Mr. Conroy to this position is related elsewhere.

The visiting representatives of the several companies comprising the department are also of the opinion that this valuable field should be cultivated thoroughly, and they have instructed Manager Edwards to increase his field force, and in accordance with these instructions, George A. Crux and Chas. R. Gilbert have been appointed special agents, and two additional men will soon be named and sent into the field. Mr. Crux is a capable man, who has been employed in the office for several years, and was for several years employed in the compact office. Mr. Gilbert is well known as manager of



E. T. NIEBLING,
Assistant Manager Pacific Coast Branch
COMMERCIAL UNION ASSURANCE CO., L'D., of London,
ALLIANCE ASSURANCE COMPANY, of London.

the Board of Underwriters for the Montana district, where he has made many friends. R. DeLappe, who has been with the office a number of years, will be retained in central California. Mr. Crux will take Mr. Hewitt's place in the Pacific Northwest, with headquarters at Portland. Mr. Gilbert will look after the interests of the agency in southern California and Arizona.

Pacific Mutual Change of Offices.

The general offices of the Pacific Mutual Life Ins. Co. have been removed from the second to the first floor of the company's building, on the northeast corner of Montgomery and Sacramento streets, San Francisco. The industrial department will occupy all the second floor, and the executive departments—the offices of President Moore, Vice-President Beaver, Secretary Patton, Medical Examiner Clunness, Actuary Gould, Superintendent Higgins and the board of directors—will occupy all the third floor.

The main floor, to which access is had from the street by broad stone steps, is being fitted up in handsome style. The main offices of the life and accident departments will take up the greater part of the floor area, but Assistant Secretary Marks will have a fine office to the right of the entrance, and General Agents Kilgarif & Beaver will have an equally fine office to the left, with an agents' office in the rear.

Acknowledgements.

Anything not worth an acknowledgement is not worth sending.

Proceedings Ins. Institute of Victoria: McCarron, Bird & Co., Melbourne. Contains interesting and valuable papers on life, fire and marine insurance, to the extent of 150 pages. We make some quotations elsewhere.

We have received from the secretary of the British Fire Prevention Committee, several of their very interesting and useful publications, among them a paper by Edwin O. Sacho, on the Paris Charity Bazaar Fire, that terrible calamity, happening on the 4th of May, 1897, and causing the loss of 124 lives. This committee is composed of the most eminent architects of England.

The Pacific Mutual Life has issued a timely brochure of the Philippine Expedition, giving portraits of Dewey and Merritt, the Olympia, the transports, the camps and the soldiers.

Insurance Directory Baltimore and Washington, Maryland, Delaware and the Virginias: by Jas. H. McClellan, at the office of the Baltimore *Underwriter*. Price one dollar. Good, clear print, good paper, giving laws, statistics and much serviceable matter. We learn with surprise that Baltimore has sixteen fire insurance companies, and yet, unlike Chicago, it does not claim to be an insurance center.

Colorado Insurance Report; John F. Vivian, Dept. Supt. A nice looking bound book of over 400 pages, this; creditable to the department and far ahead of anything ever produced by the California insurance department. Gives names of agents, detailed statements of companies, and gain and loss exhibit of life companies. The fire premiums of Colorado are still about \$200,000 less and amount written over \$3,000,000 less than in 1892.

Plans and Specifications for Economical Dwellings, Farm Buildings, Etc.: published by the Continental Fire Ins. Co., New York. A copy will be sent to any property-owner who intends to build (and will insure his property in the Continental), upon written request to the New York or Chicago office. Also contains proper forms of contracts with builders and architects. Plans are for dwellings costing from \$500 to \$2,500.

"War Risks," a useful and timely compilation by Thrift Pub. Co., New York. Here are some suggestive extracts: The Phoenix of London established an agency in New York in 1805. In the war with Mexico, the Nautilus, now the New York Life, granted a permit to a surgeon to accompany the army to Mexico, for an extra 5 per cent. payment, the permit not to cover death from battle. This appears to have been the only "war" permit. In 1861 the fire companies disavowed any liability for losses resulting from the war. A prominent Northern life office announced that it could not insure or continue a policy on the life of any one in actual hostility to the government. On April 19, 1861, delegates from sixteen life offices met and resolved that policyholders should be permitted to enter the army, and that an extra premium rate of 5 per cent. per annum upon all existing policies, north of 34 degrees, and 5 per cent. additional on risks incurred for locations south

thereof. The New York Life issued the first war permit.

Commissioner Clunie is a Smooth Article.

According to a New York paper—whose editor is old enough not to be imposed upon by sleek manners—Commissioner Clunie is in New York city, and has made “a favorable impression” on the managers of fire offices he has visited.

This reminds us of a story of a pleasant mannered, oily little man who was a passenger on a pullman crossing the continent. He was not very prepossessing looking. He was bald and short and looked somewhat like the typical Jesuit in the “Wandering Jew.” But presently he made a “very favorable impression.” All the passengers liked him, and the ladies said he was “such a nice man.” The little man was so accommodating, and told so good stories, and was so polite, that the cast in his eye was forgotten and the first snake-like impression soon wore off. But alas for the trustworthiness of “favorable impressions.” On the morning before reaching the Western city, which was the destination of the entire party, the polite little man did not show up. The porter found nobody in his berth. Simultaneously it was discovered that every passenger had been robbed of all valuables. Watches, rings, diamonds and coin had been taken!

Commissioner Clunie has visited the offices in New York and has made a “favorable impression.” But look out! He also made a favorable impression on Henry Sutliff of San Francisco and was made his assignee. Clunie tried to cheat him and his creditors, as set forth in the decision of the California supreme court, printed in the *May Coast Review*.

Commissioner Clunie also made a good impression on the probate judge of San Francisco, and was appointed administrator of an estate, which he afterwards tried to rob.

Satan made a favorable impression on Eve. But Eve was unsophisticated, which the underwriters of New York are not.

Clunie is “a smooth article.” So is the

deadly copperhead, a red viper lying in wait for the unsuspecting.

It is not creditable to the “literacy” and good sense of Eastern underwriters and editors that they for a moment allow themselves to be “favorably impressed” by a man with the record and ill-concealed designs of this fellow Clunie.

To Our Exchanges.

No insurance editor who reads the case of *Sutliff v. Clunie*, *May Coast Review*, page 260, can honestly say one word in defense of the notorious defendant, unless a fellow-feeling makes him wondrous kind.

Death of Manager Wm. Bell.

William Bell, joint manager with William Wood of the United States department of the Palatine Insurance Co., died suddenly at Orange, N. J., on June 1. An autopsy was held, and the verdict of the physicians was “acute gastro enteritis, probably from ptomaine poisoning.” It is supposed that Mr. Bell had eaten fish containing ptomaine poison, but other members of the family, who did not fall ill, also partook of the fish. Mr. Bell was ill only a little over two days, leaving the office Saturday in good health, with plans for the holiday. The announcement of his sudden death was therefore a great shock to his associates.

Silly Claims of Commissioner Clunie of California.

Mr. Clunie says that mutual life insurance companies, with hundreds of millions of assets and tens of millions of surplus, do not meet with the requirements of the law unless they have \$200,000 paid-up capital; that he has a right to know who the beneficiaries of the insured are, and how much insurance they carry; that he has a right to pry into the fire insurance affairs of individuals also; that foreign and Eastern companies must keep in San Francisco a daily record of stock transfers; that foreign companies must pay up all their subscribed capital, though they have millions of paid-up capital, in order to compete on equal terms with California companies; that the retaliatory law makes other States legislate for California; that every Eastern tax on all companies (not merely “excess tax,” as our law reads) must be paid here by such companies; that even if the Eastern State does not collect such taxes, but has authority to do so, he must collect such taxes

from the companies from such State; that a law declared unconstitutional by the supreme court is nevertheless in force; that bonds for nominal sums to secure nominal fees are not satisfactory "in substance," though signed by millionaires; and he advances other like ridiculous, technical and disgraceful contentions which no sane honest man will defend.

Our War Bulletins.

VIA OUR SPECIAL LEASED WIRE.

Blanco doesn't seem to Havana chance.

Our circulation is the largest on earth.

That Cadiz fleet was not Cervera dangerous, after all.

The article on Cuba in the *Review of Reviews* for May, 1897, is a whole book in itself.

It looks as if the only thing the Spaniard can lick is his chops. And he gar-lics those.

Terrible! the wind blew up the harbor, and ever since then the soldiers have been picking up shells on the beach.

"Hobson's choice" has a new meaning now. And there were 4,000 brave men in Sampson's fleet who volunteered to go with Hobson.

Strange, isn't it, or is it, that the men and yellow editors and congressmen who shouted loudest for war were not the first to volunteer?

This is a war between a country having the highest average life insurance per capita and a country having the lowest average among civilized peoples.

A patriotic school-girl surprised her friends the other day by saying that she was sorry that war had been declared. She explained that she was sorry because it would make more history for her to study.

New York, June 14.—Gen. Brown Jones Smith, veteran, retired, says the delay in getting the volunteers into working condition is not so great as in 1861. It takes time to create, equip, and drill "raw levies" of 250,000 men.

Cushing and Hobson! naval heroes both! the one from the North, the other from the South—with brave followers—who went straight into the jaws of death. Such heroic deeds stir the hearts of men the world over.

Blarney Stone P. O., June 12.—Col. Alson Old, the distinguished journalist, delivered a patriotic war speech from the top of a whisky-barrel to-day. His protest against an increase of the tax on whisky and his contemptuous reference to the seaboard cities' appeals for protection from a fleet which dares not cross the Atlantic, were greeted with yells of applause. An auditor who asked the colonel if he owned any property in a seaboard city was thumped and hustled away before the colonel could get a bead on the insolent fellow.

The Spaniard is a good bull fighter, but he seems to be a very poor "pig" fighter.

The Washington red-tape factory is said to be turning out a big lot of first-class goods.

The manual governing the rejection of recruits contains a list of over 200 physical and mental defects.

The marine offices are writing an enormous amount of war business. Whether it pays or pains will be decided later on.

Our Monroe doctrine being opposed to intervention in Cuba by a European nation, it has long been the duty of the United States to put an end to Spanish cruelty in the unfortunate island.

Tampa, Fla., June 11.—The enterprise of the *Coast Review* is much appreciated here. Its war bulletins first notified the generals commanding that they are expected to invade Cuba at an early day.

It will surprise our readers to be told that the Mugwump college president's address in opposition to the war is almost an exact copy of a speech made by an American "tory" against the Revolutionary war.

Washington, D. C., June 10.—The enterprise of the *Coast Review* is praised on every side. Prominent officials admit that the administration depends on its telegrams for information of the progress of the war.

We have two dispatch boats in Cuban waters and one in Manila bay. The slowest makes 280 miles an hour. With this speed and valorous reporters ready to die for the greatest paper on earth, we are able to give war news 24 seconds ahead of our loathsome contemporaries.

French insurance papers are damning us with hard speech. We Americans, according to these journals, are braggarts, liars and cowards. On the sea we win victories over wooden ships, on land we kill "a mule grazing while thinking of her mate." Having exterminated all the Indians, we savages have begun to exterminate the Latins. Spain is "great and generous": America is "brutal and unprincipled." The moral whereof, bluntly expressed, is, Let us Frenchmen remain powerful and keep our money, by buying nothing, certainly not life insurance, from these base and hypocritical Americans. This French ebullition is as entertaining as a comic opera. Don Quixote's descendants have spread beyond the Pyrenees.

BY JOSH.

A Roanoke, Va., agent so offended his office-boy that the latter struck him from behind with a hammer, crushing the skull.

White people can become acclimated in the tropics. Heat and moisture are not the direct cause of any tropical disease. Tropical diseases are nearly all microbic and therefore largely preventable. Therefore let us reason together and hold fast to that which is good. Who said Philippine?

Albert F. Gartner, Special Agent for the Home.

The subject of this brief sketch, whose portrait accompanies this issue of the *Coast Review*, Albert F. Gartner, is a well known special agent, who for the past sixteen years has been doing field work for the Home and Phoenix. Mr. Gartner is about 39 years old, and began insurance work at the early age of 19, in New York.

In 1882 young Gartner came to San Francisco and joined the Pacific department of the Home and Phoenix. On November 1, 1883, he was appointed special agent for the Northern district, then comprising Oregon and Washington. In the following month he opened up Idaho, which was added to his field. Two or three years later Montana also was added. The entire Northwest field was virtually "planted" by Special Agent Gartner, who was kept pretty busy looking after the growing interests of the joint companies in that prosperous section.

In 1889 the series of astounding conflagrations in Washington occurred. Montana was therefore added to the Mountain district, and Mr. Gartner gave much of his time to the settlement of those extraordinary losses. He adjusted all the conflagration losses of his companies that year. More recently he has been employed at field work in a larger area, embracing the Mountain district as well. In December of last year he was "called in" by General Agent Magill, to assist him in the office in San Francisco.

Mr. Gartner's twenty years' experience has made him a master of his vocation, and has made the underwriting field of the Pacific West as familiar and complete as to details as a well-conned map. A number of assistant managers and general agents were educated and graduated in field work under Mr. Gartner's tuition during his sixteen years of Coast work.

Vice-President Snow of the Home of New York has selected Mr. Gartner for special work, with liberty to choose his own title; but the modest title of "special agent," as we infer from the card before us, has fully met the wishes of the new appointee in this respect.

Boston Firm's Letter on Insurance and Co-Insurance.

The following circular letter was recently sent out by Brown, Durrell & Co. of Boston:

The fires that are frequently occurring in the premises of our customers, as well as our constant inquiries among our customers, convinces us that very many fail in giving proper consideration to the matter of insurance. Only a small proportion of buyers are so situated as to pay spot cash or even avail themselves of the ten days' discount, and yet we have very few, if any, customers in whom we have not sufficient confidence to sell them such amounts as their needs require.

We believe in our friends and customers and rely fully as much on their business ability and honest intentions as on their financial responsibility, but insurance and credit are inevitably allied, and the lack of insurance, or not enough insurance, means curtailment of credit. This leads us to say that within a few years the insurance companies have by a unanimous agreement put into all policies covering on merchandise a new condition known as the "80 per cent. co-insurance clause." This clause provides that in the event of a loss the adjustment will be made on the basis of there being an insurance carried and in force equal to 80 per cent. of the value of the property insured. It is evident to us that very few have fully understood the effect of this clause or have taken it fairly into account in deciding on the amount of insurance. It may help you to an understanding of it to say that if you have an insurance equal to 80 per cent. of the value of the property insured, then the clause has absolutely no effect in case of loss, or if the property insured is absolutely and wholly destroyed, leaving no value whatever, then the clause has no effect whatever.

On the other hand, if you have a partial loss, the effect of the clause may be illustrated as follows, viz:

Total actual value of the property insured	\$40,000
80% of this value is	32,000
the amount that should be carried.	
Amount of insurance placed amounts to but	\$25,000
which is	\$7,000 short.

Now, supposing you have a loss of \$10,000. Your insurance is \$7,000 short, consequently the \$32,000, proper insurance, has to pay the \$10,000 loss, figuring \$32.50 to each \$1,000. The insurance companies pay on \$25,000 the amount of their policies, \$7,512.50, and you are



A. F. GARTNER,
Special and Adjuster, Pacific Northwest,
HOME INSURANCE COMPANY, of New York.

co-insurer on the \$7,000 short insurance, and on that basis pay \$2,187.50. In other words, you receive out of your \$10,000 loss the sum of \$7,812.50, and are obliged to count as an additional loss the \$2,187.50 on account of not being insured up to the 80 per cent. of the value of your stock, and this occurs perhaps from a desire to save the premium on the \$7,000. We assume that the average rate paid by all our customers would be about 1½ per cent., which on \$7,000 would amount to \$105 each year, and you can see the loss would eat up the saving for nearly 20 years. Let us urge upon you as of the utmost business importance the necessity of carrying an adequate amount of fire insurance in strictly good companies and under forms of policies carefully and properly prepared.

BATTERSON TO McNALL. — Now you are playing the part of Saul among the prophets, by telling us that we "will either pay the amount you demand in a very short time, or at the end of a lawsuit." This, then, is what you call "gentlemanly" correspondence; given to the reporters before mailing, and wholly neglecting to inform me under what chapter and section of your statutes I can find the authority for your demands. When you give me that information, which is your manifest duty as a public official, I will be prepared to answer whether we will deal with the law or the prophets. If it be so that you are competent to forecast the future, and tell now what the "end of a lawsuit" will be, you can command a much better clientage as a fortune teller than you ever did as a lawyer.

FLAG DAY. — June 14 was the 121st anniversary of the "birth of the flag." So many flags are kept flying, in honor of victory and of the presence of 15,000 volunteers, in San Francisco, that the additional display in honor of the day could hardly attract attention. Our beautiful National emblem has far more meaning than that of any other country. The three colors represent the trinity of liberty: the stars in the blue field are the States forming the indissoluble Union; the thirteen stripes represent the original thirteen Colonies, which united in an eight-years' struggle that ended in independence and perfect solidarity.

Manager Letton, replying to Manager Chard's criticism of his proposition for a compensation committee, says the issue has been

misunderstood. He recognizes that non-union companies would reduce commissions if the union companies did, but says that is not the point at all. He reiterates that if the non-union companies once became impressed with the idea that their highest commission, no matter at what figure, would be met by union companies, they would readily agree to some uniform basis of compensation.

The provisions of the New York standard fire insurance policy, relating to the cancellation of a policy at the instance of the company, requires that, in addition to giving the five days' notice the company must return or tender the unearned premium, in order to effect a cancellation; and a notice that the unearned premium will be returned by an agent of the company is not equivalent to such return or tender. Judgment (Super. N. Y. 1895) 32 N. Y. S. 166; 11 Misc. Rep. 20, affirmed. — *Tisdell v. N. H.*, 49 N. E. 664, 155 N. Y. 163.

The Travelers loses about every case in court. The Connecticut supreme court has just affirmed the decision of the lower court in the case of resisted tax on stock of non-residents. The company lost in the Wisconsin courts, in the suit brought by the insurance commissioner. In the three accident cases reported in the *May Coast Review*, in all which the Travelers was defendant, the company lost. Does the management resist claims from habit, or is it ill advised? For the sake of the reputation of accident insurance, it is to be hoped that there will either be a change of habit or of legal advisers.

From ads in our estimable Transatlantic contemporary, *Annalen des Gesanten Versicherungswesens*, which erscheint jeden Donnerstags, we extract the following sample company names: Iduna Lebens, Pensions und Leibrenten Versicherungs Gesellschaft, Nordstern Unfall und Aetors Versicherungs Aktien Ges., Frankfurter Lebens Ver. Ges., Schweizerische Unfallversicherungsaktiengesellschaft, Janus Lebensundpensionsversicherungsgesellschaft, Aktiebologet Sjo assurans Kompaniet, Reichsfleischbescheru und Schlachtvieh Ver, Wurtembergische Privatfeur V. G., Deutsche Militardienst, Ver Anstalt, and so weiter.

Nottingham, Eng., is going to insure its citizens against fire, but is sorry for the underwriters.

The Fidelity & Deposit Company's Hundred Thousand Dollar Bank Check.

The Widber Bond is Paid by the Fidelity & Deposit Company.

PAID TO THE CITY OF SAN FRANCISCO LAST WEEK FOR
LOSS BY THEFT.

LARGEST SURETY BOND EVER PAID.

Ever since it became known that Treasurer Widber of San Francisco was a defaulter to the amount of about \$118,000, his bond company, the Fidelity & Deposit of Baltimore, has been ready to pay the hundred thousand which it had guaranteed to the city in the event of the defalcation of its bonded servant Widber. But though the liability of the company might not be disputed, it seemed well to settle one or two doubtful points regarding municipal law and salvage from the defaulter's estate. It was therefore agreed between the company and the city officials that a test case should be made, limited to the superior court.

Judge Belcher ruled that a provision of law for the counting of public money at stated intervals is for the protection of the public and not for the protection of bondsmen; that it is of no consequence whether or not the counting officials were derelict. Sureties cannot rely on law requiring such counting. It is the presumption of the law that official duty has been regularly performed.

The company, under the circumstances, could not expect any other decision from our local courts, and were prepared for it, as indicated by the immediate payment of the \$100,000 bond, with \$816 interest. We print herewith a fac simile of this large check, signed by General Agent Frank Gilbert. It is certainly a curiosity in fidelity insurance.

In writing so large a risk the Fidelity & Deposit Company relied on the probable limitations as to loss imposed by the law requiring monthly counting of city funds. It is admitted that the city officials were derelict in the discharge of this duty. Widber took advantage of this fact. His stealings covered many months, even preceding the writing of the bond. The company, as it transpires, really assumed the risk of shortage of many months instead of a single month, for the coin

\$100816.⁶⁶ San. Francisco, June 15th 1898
At Sight
Pay to the order of — The Bank of California —
One Hundred Thousand Eight Hundred Sixteen & ⁶⁶/₁₀₀ Dollars
Value received and charge to account of Payment in full of A. C. Widber Bond.
To: Fidelity & Deposit Co. of Maryland.
Baltimore.
Maryland.
Frank Gilbert
General Agent.

THE BANK OF CALIFORNIA

in the treasury was never actually counted by the city officials, as the law requires.

A higher court might have overruled Judge Belcher, but the Fidelity & Deposit Company was not disposed to be technical nor to repudiate a claim which it might be bound in equity though not in law to pay. The payment of the big claim, the legality of which is doubtful to say the least, is a feather in the cap of the management, and will strengthen the company wherever the facts are made known.

Items.

—Aluminum hats are in favor among firemen.

—The Continental is paying the salaries of employees gone to the war.

—Wicked Runck of Sin-sin-naughty actually pretends that he can vindicate himself.

—Six francs per million francs insured is the tax French companies must pay toward the support of fire departments.

—How much protection did State supervision give policyholders of the Lincoln Fire, Guarantors Finance and the wilcat London Fire Office?

—Manager Bowers of the North British has been elected chairman of the executive committee of the National Board of Fire Underwriters.

—Chicago had 5,326 fires in 1897, destroying \$2,272,355 property values. The department has 87 steam fire engines, 2 water-towers and 4 fire-boats.

—It begins to look as if the Mutual Reserve Fund would have to "pass the hat" in a number of foreign companies to make both ends meet in the United States.

—New York is a broker's paradise, if there is any money in 40 per cent. commission on business written at 5 cents and 10 cents. As usual the brokers are responsible for the war.

—Fire losses are still decreasing in the United States, and rates are being trimmed accordingly. At this rate the total for 1898 won't exceed \$100,000,000 and the underwriters won't make a dollar.

—Chicago is to have a new fire-boat, costing \$50,000. It is to have a pump which can throw 9,000 gals. of water a minute. The details of the wine-closet and the accommodations for the politicians are lacking.

—The Droch building explosion case in Cincinnati has been decided in favor of defendant companies. A gasoline tank exploded and fire followed.

—A Massachusetts valued policy bill is entitled "A Bill to Prevent Overinsurance." The wild and woolly Easterners in the house promptly passed this measure in the interest of fraud, arson and murder.

—Fire broke out in the mixing-room of a cotton factory at Bolton, Eng., caused by a hard substance in a beater. The burning cotton was carried into the loose mixing, but the prompt work of a single sprinkler extinguished the flame.

—New York fire offices now close at four week days and at one Saturdays. If the rate war continues long, many of them will close for good, and the rest of them might as well close at one o'clock every day. Writing business three years at cut rates soon makes business dreadfully quiet.

—If you read a book that gives you pleasure why should you not thank the author? If you hear a good play, you clap the actors! Quite right. Any man, whether author, actor, or agent, can work much better if he gets a bit of honest praise occasionally. The lot of an editor is by no means so easy as some men suppose.—*Business.*

—What is the Matter With the Fire Association?—And now comes the Fire Association of Philadelphia, and from its own attaches supplies sundry officials as follows: Its own president, Mr. E. C. Irvin, for president of the National Board; its special agent, Mr. W. E. Chapin, for vice-president of the Southeastern Tariff Association; its Western manager, Mr. W. H. Cunningham, for chairman of the Governing Committee, and from the Philadelphia Underwriters', its Southern manager, Mr. E. S. Gay, as president of the Southeastern Tariff Association,—and doubtless the Fire Association would say as the old razor-strop man did, "We have a few more left of the same sort."—*Monitor.*

If the deceased underwriter looked anything like his poorly printed picture in our New York exchange, it is no wonder the poor man died. The only wonder is suggested by the story told by Lincoln. Two very ugly men met each other. One said to the other: "I have always said that if I ever met a man homelier than myself I would shoot him." The other man looked the speaker all over carefully, and then quietly replied, "Shoot! If I am any uglier than you are I want to die."

Special Agent G. C. Holloway.

We present elsewhere in this number of the *Coast Review* the portrait of another of the appointees of Vice-President Snow for the Home of New York in this field—G. C. Holloway—also an employe of the recent joint agency. For the the past three years Mr. Holloway has been a member of the office staff of the Home and Phoenix agency in San Francisco, and he therefore begins field work with the advantage of an office experience.

Mr. Holloway is a native of Ohio and is about 35 years old. He was graduated from Kenyon College, Gambier, O., in 1885, and from the Cincinnati Law School in May, 1887. For several years he practiced law in that city, but ill health persuaded him to seek a milder clime. He came to the Coast in the winter of 1894, and entered the service of the Home and Phoenix in April, 1895.

Mr. Holloway's field as special agent for the Home will include southern California and Arizona, with headquarters in Los Angeles. He is an energetic worker, and the Home may expect satisfactory results from his department.

Chips.

—The Coast Review Insurance Chart is out.

—Willard O. Wayman of the Merchants has just returned from an Eastern trip, and brings with him an increased territory.

—The Merchants of Newark is now operating in California, Oregon, Washington, Idaho, Utah, through the Pacific department, of which G. W. McNear is general agent and Willard O. Wayman manager.

—The Stockton Harvester Case.—This famous case was last month finally disposed of by the supreme court of California, the companies losing. They must pay the ninety-odd thousand. The original claim was about 35 per cent. more.

—The attention of underwriters everywhere is specially called to the decision of the Supreme Court of California in a case where A. J. Clunie, now insurance commissioner, was defendant. It does not appear in the California reports, for reasons which the defendant has not attempted to explain. The report was printed in the *May Coast Review*.

—A. A. Bartow has been appointed manager for the Penn Mutual at Tacoma, Wash.

—Arthur C. Thornton, of Portland, special agent for the Fireman's Fund, was in town last week.

—Wm. H. Friend, recently secretary of the Sun Ins. Co. of California, has been appointed postmaster of Oakland. The appointment was confirmed by the senate.

—Manager Munsell, Jr., of the Mutual Benefit Life Ins. Co. of New Jersey has removed to the southwest corner of California and Montgomery street, where he has a handsome suite of five offices on the second floor, facing both streets.

—There is an excellent opportunity for a capable and successful life insurance man, as city manager, for one of our progressive old line companies. The right man will be paid a guaranteed salary. Address, Secretary, care of *Coast Review*.

—The business of the Penn Mutual in Oregon and Washington, under the general agency of Sherman & Harmon, Portland, for the first four months of 1898 shows an increase in new insurance issued of 180 per cent of the same period last year.

—Morgan Bros., general agents for Oregon, and Arthur P. Johnson, their superintendent of agencies, for some years connected with the Hartford Life & Annuity, have contracted with the Penn Mutual in the general agency of Sherman & Harmon at Portland.

—The Mutual Benefit State agency for Oregon and Idaho is now under the management of Pickering & Adams, with the general office in Portland. Mr. Pickering was formerly State agent for the company. Mr. Adams has been for the past six or seven years cashier of the Massachusetts Mutual at Seattle.

—Manager Mullins sailed for Europe a few days ago, and will there join his wife and daughter, who went abroad several months ago. Mr. Mullins will enjoy a vacation of probably four months' duration. For nearly fifteen years Mr. Mullins has been engaged in fire underwriting in San Francisco, as manager of the Coast department of the Commercial Union, and latterly as manager of the Coast department of the Alliance also. He has been a hard worker, and has done good service on the executive and other committees of the Pacific Insurance Union and Board of Fire Underwriters.



G. C. HOLLOWAY,
Special Agent Southern California and Arizona,
HOME INSURANCE COMPANY, of New York.

—The People's Mutual Benefit Ass'n of Ohio is the latest failure. It owes \$37,000 and has little or nothing wherewith to pay.

—Dr. Geo. S. Miller, superintendent of agencies for the Phoenix Mutual Life Ins. Co. of Hartford, recently made the *Coast Review* a very pleasant call.

—The New York Life has reduced premium rates on annual dividend policies. The reduction is about 9 per cent., on ordinary life, twenty payment and twenty-year endowment.

—The California insurance department office is once more convenient to the insurance center, having been removed from up-town to the southwest corner of Montgomery and California streets.

—The *Equitable Record* for June is a war number, with Old Glory in colors, and a picture of Admiral Dewey's flag-ship *Olympia*, upon which the enemy's fire was vainly concentrated in Manila bay.

—Thos. J. O'Keeffe, who for twenty-five years has served as book-keeper for the general agency of the New England Mutual Life Ins. Co. in this city, died at Livermore, Cal., on June 6th, aged 52 years, 3 months.

—The Washington Life seems to have fixed upon a war charge that is equitable and satisfactory to all concerned. The San Francisco agency under management of Maj. Day has secured a good business amongst army officers.

—It is estimated that for the coming year \$621,000 will be required to run the San Francisco fire department. The items are as follows: Salaries, \$402,560; pensions, \$13,000; running expenses, \$80,000; hose, hydrants, etc., \$82,025; leaves of absence, \$12,415; relief fund, \$1,000.

—The Guaranty Fund Life of Chicago, which took over the business of the defunct Bankers Alliance of Los Angeles, has kow-towed to the mikado of the Colorado insurance department and agreed to require full rates of the taken-over (taken-in) policyholders of the Los Angeles concern.

—What a banker doesn't know about life insurance would fill an awfully big book; but every life insurance swindle finds the endorsement of bankers easily acquired and handy to have. The Bankers Alliance dead and the Western Mutual Life living have been strongly approved by bankers, for "management," "plans" and "methods."

—Manager Lowden of the Norwich Union has been visiting his agents in the Pacific Northwest.

—Manager Watt of the Royal and Queen has returned from a three weeks outing in the Yosemite Valley.

—There is talk of the Hand-in-Hand Fire & Life of England coming to this country. It is a big plum, having \$14,425,000 assets.

—J. B. Levison, marine secretary of the Fireman's Fund, has returned from a five weeks' trip to the principal cities in the East, where he was looking after the interests of the marine department of his company.

—The Covenant Mutual Life of St. Louis has been weighed in the balance by the Missouri insurance department and found wanting in no respect. The only fault Examiner Farris found with the company was that it pays too small salaries!

—J. W. Dawson, agency secretary of the Pennsylvania Fire Insurance Company, is visiting the Coast. This is Mr. Dawson's first visit to the Pacific, and he will spend several weeks familiarizing himself with the business in this field.

—Managers Gutte & Frank have been authorized by the insurance commissioner to transact business in California for the Magdeburg Fire Insurance Company of New York. The Magdeburg of New York is a new company with \$200,000 cash capital.

—According to a floating paragraph, some of the wooden churches of Norway are fully 700 years old, and are still in an excellent state of preservation. Their timbers have successfully resisted the frosty and almost Arctic winters because they have been repeatedly coated with tar. A correspondent suggests that this would be a good case to work on, for depreciation.

—NEW CHARTER WON.—A majority of the voters of San Francisco who voted at the recent election said "yes" to the proposed charter. Certain interests, it is inferred from their newspaper organs, opposed the new charter, and it is feared they will exert a stronger influence in the legislature which must approve it. The provisions for a paid fire department are so acceptable to underwriters and other good citizens, that they will join us in the hope that the powers at Sacramento will concede San Franciscans the ability to conduct their own affairs.

—Manager J. E. Finnegan of the Travelers has returned from a visit to the home office of his company.

—The International Registry has swallowed the National Registry, and issues Pacific Mutual Policies. It is a cash registry transaction.

—W. W. Hoagland has been appointed special agent for Royal and Queen for the central California district. Mr. Hoagland was assistant to Special Agent Gilerest in southern California, and his promotion fills the vacancy caused by the resignation of Special Agent Reynolds who goes to Chicago. W. Hoagland has been in the business as local and special for many years and is an earnest worker.

—On the twenty-second of this month "Harry" H. Smith, special and adjuster for the Union Assurance Society and the Law Union & Crown, will be married to Miss Grace Katharine Warnock, daughter of Dr. David Warnock of Los Angeles. The *Coast Review* extends hearty good wishes to the newly wedded couple and expresses the hope that all differences that may seem to arise between them may be "adjusted" to the satisfaction of both parties to the contract.

—"He wore mourning for fifteen days." Such grief!

—Vice-President Snow of the Home was quite ill for several days during his recent visit to southern California.

—Marriage laws in the United States—especially California and Michigan—are entirely too lax. The decencies of life should be preserved and the indecencies should be punished.

Telephone Main 1100.

DAVIS & HENRY,



General
Insurance
Agents

215 Sansome St.,

San Francisco.

CALIFORNIA BRANCH . . .

EQUITABLE

Life Assurance Society of the United States.



Assets over - - \$236,000,000.00

Net Surplus over - - \$ 50,000,000.00



THE EQUITABLE has Largest Net Surplus
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A. M. SHIELDS, Manager,

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SAN FRANCISCO.

—The Buffalo Mutual Fire has quit. Next!

—The loss of 21,000 members last year doesn't make the managers of the Ancient Order of United Workmen happy. It is the beginning of the end.

—June begins rather "so warm" for underwriters, with a molding and shingle-mill fire at Eureka, Cal., and a box-factory fire at Clovis, Cal., and a big cannery fire at Ilwaco, Wash.

—"A Shyster Disbarred" is a headline appearing in an Eastern paper—not in a California paper. Shysters are not disbarred in California. They are appointed to positions of cash and profit.

—Fifteen cents for five years is rather high for a high building in New York. What a high old time underwriters are having in that city, where not long since similar folly in the West was vigorously denounced.

—Washington, June 9.—Minister Lichterveld, the Belgian Minister, has informed the State department that his government has offered a reward of \$1,000 for the invention of a match paste without phosphorus.

—The Kansas Mutual was sued for \$50,000 for breach of contract, and the plaintiff agents were awarded \$200.

—OREGON.—The attention of capitalists and underwriters is invited to the fact that at the recent election in Oregon the plurality for sound money, the issue, was very large, and much larger than two years ago. Populistic legislation will not be feared in that State.

—NOT GROSS.—Some of our readers, comparing the department reports of business by companies, are puzzled by the difference between their premium figures and those in the *Coast Review*. The difference grows out of the fact that our premiums are net, while those of Montana, Washington, etc., department-reports are gross.

—Caverly, of great notoriety in San Francisco at one time—who took dead "electros" to London and patched up an insurance paper there—appears to have gone wholly out of the "Adamless Eden" variety show business. Now he devotes his talents to an English journal with an American edition, which he takes good care to keep out of our mail-box. Caverly is a fraud.

FINANCIAL STANDING, JAN. 1, 1898,
OF THE

Philadelphia Underwriters

COMPOSED OF THE

Insurance Co. of North America

FOUNDED, A. D. 1792

CASH CAPITAL	\$ 3,000,000 00
Total Assets	10,057,221 00
Total Liabilities, except Capital	4,454,624 00
Surplus as to Policyholders	\$5,602,597 00

Fire Association of Philadelphia

FOUNDED, A. D. 1817

CASH CAPITAL	\$ 500,000 00
Total Assets	6,239,335 00
Total Liabilities, except Capital	4,427,387 00
Surplus as to Policyholders	\$1,811,947 00

COMBINED ASSETS, - - - -	\$16,296,556 00
SURPLUS TO POLICYHOLDERS, -	\$ 7,414,544 00

WESTERN AND PACIFIC COAST DEPARTMENT

CHICAGO, ILLINOIS

{	W. H. CUNNINGHAM, Manager	{	Ass't Managers
	HENRY W. BUSH,		
	J. M. BECK,		

GEO. E. FAW, State Agent for California, Arizona, Nevada and the Hawaiian Islands.

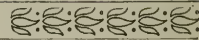
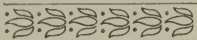
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E. J. LOUIS, Special Agent for California, Nevada and Arizona.



... HOME ...

Insurance Company

OF NEW YORK,

Office No. 119 Broadway.

EIGHTY-NINTH SEMI-ANNUAL STATEMENT,

January, 1898.

Cash Capital	\$3,000,000 00
Reserve Premium Fund	4,155,150 00
Unpaid Losses	420,751 05
Unpaid Re-insurance, and other claims	150,333 63
Net Surplus	3,570,268 47

\$11,296,503 15

DANIEL A. HEALD, President.

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THE COAST REVIEW

A MONTHLY JOURNAL

Devoted to all kinds of Insurance that INSURES. Published on the Fifteenth of every Month.

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J. G. EDWARDS, Proprietor,
Pacific Mutual Building, San Francisco.
Telephone No. 1530.

Vol. 54.

JULY, 1898.

No. 1

Annual Statements in This Year's Coast Review. * This Year's Index for Life and Casualty Men.

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Our Digest of Recent Insurance Decisions.

Fire.

Vacancy.

An agent of defendant insurance company gave insured permission to leave his house vacant for a time. Two months thereafter the house burned, and plaintiff notified the agent, who later told him that the company would not pay the loss. Neither the company nor the agent notified plaintiff, nor was he otherwise informed, that the agency had been terminated since the issuing of the policy. Held, that, as no notice was given, defendant could not disavow the acts of its agent after the agency was claimed to have been terminated.—*Wilson v. Commercial Union Assurance Co.*, 29 S. E. 245.

A policy provided that it should be void if the building insured remained unoccupied for 10 days, and that no agent

could waive such provision except by indorsement in writing on said policy. The general agent, who had issued the policy, on being told that the house was to become vacant, assured plaintiff that the policy would not be canceled without due notice. No notice was ever given. Held, that the provision was waived by the agent, so as to bind the principal.—*Wilson v. Commercial Union Assur. Co.*, 29 S. E. 245.

A building described in a policy of insurance as a boarding-house is, in effect, a dwelling, within the condition as to occupancy.

When a dwelling is left merely in the care of a person living within the same inclosure, it is vacant, within the clause of an insurance policy providing that the policy should be void if the building should become vacant, and so remain for 10 days.—*Burner's Adm'r v. German American Ins. Co.*, 45 S. W. 109.

The Virginia's Defence.

Complainant held a fire policy which contained a clause requiring him to take an inventory once a year, to keep a complete set of books, and to keep such books and inventory in an iron safe, except during business hours, and provided that a failure to produce such books and inventory in case of loss should constitute a bar to any recovery thereon. In a suit on such policy it appeared that complainant had, in good faith, kept books showing all his accounts: the main defect therein being that the cash account contained entries of moneys received on collections and on deposit, as well as for sales of goods. Complainant had also taken an inventory, which it had been his habit to keep in his safe. On the day before the fire he had been engaged in taking a new inventory, in the same book, which was not completed; and it had been inadvertently left out of the safe, and, together with his current invoices, destroyed. Complainant supplied all deficiencies in the proofs by producing duplicate invoices, and showing beyond question the true status of his accounts

and of the stock destroyed. Held, that complainant was entitled to recover, on the ground that he had shown a substantial compliance with every reasonable requirement of such policy.—*McNutt v. Virginia Fire & Marine Ins. Co.*, 45 S. W. 61.

Insurable Interest.

An insurance agent, under a contract by which he is to receive, as compensation for his services, a certain percentage of the net profits of the company, has an insurable interest in the property insured by the company.—*Hayes v. Milford Mut. Fire Ins. Co.*, 49 N. E. 754.

The owner conveyed land to his wife on the agreement that he should be allowed the possession and use thereof free of charge, and that she would reconvey on his request, he agreeing to pay taxes and insurance, and to make necessary repairs and improvements. Held, that he retained an insurable interest.—*Jacobs v. Mutual Ins. Co.*, 29 S. E. 533.

Interest, Replacement.

A complaint in an action on an insurance policy which fails to allege that plaintiff was the owner of the premises at the time they were destroyed, is good on general demurrer, where such ownership can be inferred from other facts alleged.

Where the insurer was offered an opportunity to rebuild the house destroyed, and failed to do so, a plea that it offered to rebuild, and was refused permission to do so, will not avail it.

That insured had an insurable interest in the premises at the time they were destroyed, can be inferred from an allegation in the petition stating that the loss happened under circumstances rendering defendant liable on the policy.—*Northwestern Nat. Ins. Co. v. Woodward*, 45 S. W. 185.

Contract.

A woman agreed with an insurance agent that certain property then belonging to her husband should be insured in a specified sum, and for a stipulated premium and time. When she paid the bal-

ance of premium the agent told her that they were not ready for her, but would send "the paper" through the mail. Subsequently a policy of insurance was received by her through the mail, made in her name as insured. Held, that the contract with the company was that stated in the policy, and was not a parol contract for insurance with the husband.—*Agricultural Ins. Co. v. Fritz*, 39 A. 910.

Abandoning Broker.

Where it appeared, under a plea of payment, in an action for the premium due on an insurance policy, that such policy was obtained by a broker, who collected the premium and absconded therewith, a judgment in favor of defendant was conclusive, as it could not be said, as a matter of law, that such broker did not have authority to collect such premium.—*Lounsbury v. Duckrow*, 50 N. Y. S. 927, 22 Misc. Rep. 434.

Title.

Property was sold under contract that the title should remain in the vendors until the price was paid. The purchaser insured the premises, the policy providing that loss, if any, should be payable to insured as his interest might appear. A loss occurred, and the purchaser replaced the destroyed premises. Held, that he was entitled to the insurance money.—*Sheridan v. Peninsular Sav. Bank*, 74 N. W. 874.

Waiver of Proofs.

In an action on a fire insurance policy, plaintiff gave evidence tending to show that, immediately after the fire, he wrote to the local agent of the insurance company, who replied that he had advised the company, and would write plaintiff when the adjuster was coming, and, later, wrote that the adjuster would come in a few days; that he also requested plaintiff to forward a list of the property destroyed, from which he would make up the proofs of loss and have them ready for signature; that, soon after, one S. called on plaintiff, representing himself as an adjuster for the company; that they discussed the loss, and S. said plain-

tiff need not write the company again, and if he did not hear from the company in 10 days, he would know the loss would be paid: that, within 60 days after the fire, plaintiff called at the company's office, and was there told that a local special agent was in charge of the case, and the official whom plaintiff saw supposed the loss had been paid; and that proofs of loss were submitted by plaintiff to the company more than 60 days after the fire, and were not returned. Held, sufficient to require submitting to the jury the question whether the company had waived the formal proofs of loss within 60 days, estopped itself to plead that they were not duly served, or to raise any other questions under the policy. Judgment (Sup. 1895) 32 N. Y. S. 594, 85 Hun. 31, reversed.—Sergeant v. Liverpool & London & Globe Ins. Co., 49 N. E. 935, 155 N. Y. 349.

Cancellation.

Under a clause in an insurance policy providing that the company may cancel it on five days' notice, and that the insured shall be entitled to a return of the unearned premium, notice of cancellation by the company, where there has been no payment or tender back of the unearned premium, does not cancel its obligations under the policy.—Hartford Fire Ins. Co. v. Cameron, 45 S. W. 158.

Increase of Hazard.

A policy of fire insurance, containing a stipulation that the same should be void "if the hazard be increased by any means within the knowledge or control of the insured," becomes void if the insured permitted another person to store a large quantity of hay in the storehouse wherein his own goods covered by the policy were contained, and to make sales of the hay so stored, although "hay" belonging to the insured was one of the articles covered by the policy.—Alson v. Greenwich Ins. Co., 29 S. E. 266.

Under Code, §§ 2097-2099, misrepresentations by the assured, whether fraudulent or otherwise, as to the value of the property insured, but which do not in

any manner affect the risk, will not, except in case of "valued" policies, avoid a policy of insurance.—Rosser v. Georgia Home Ins. Co., 29 S. E. 286.

Divisible Policy.

A fire insurance policy which classifies the property insured, and limits the amount of insurance on each class, is divisible, and may be valid as to one class and void as to another.—Johanson v. Home Fire Ins. Co., 74 N. W. 866.

Incumbrance.

A policy covering real estate provided that it should become void if the property should be incumbered. When the policy was issued, the land was mortgaged for \$2,500. Another tract belonging to the insured was incumbered to the amount of \$1,300. Five hundred dollars of these debts was a common charge on both tracts. After the policy was written, and before the fire, the insured took up all the mortgages, and executed in their stead a mortgage on both tracts to secure \$3,500, being the old debts with accrued interest. Held, that the fact that the incumbrance on the insured property had been substantially changed and increased in amount rendered the policy void, and that the court could not speculate on the relative values of the two tracts or the probable manner of enforcement of the mortgages to ascertain if the risk had been increased.—Johansen v. Home Fire Ins. Co., 74 N. W. 866.

An insured who incurs his personal property after it has been insured, and contrary to the provisions of the policy, may, nevertheless, recover therefor if the mortgage is discharged before the loss occurs.—Johansen v. Home Fire Ins. Co., 74 N. W. 866.

Material Information.

Where the policy sued on provided that the insured, by the acceptance of the policy, warranted that she had not omitted to state to the company any information material to the risk, it is immaterial that the omission was the result of accident or mistake.—Davis v. Aetna Mut. Fire Ins. Co., 39 A. 902.

Concurrent Insurance. Waiver.

An insurer waives a forfeiture because of concurrent insurance existing before the policy was issued, where the local agent, having authority to solicit insurance and collect premiums, had knowledge thereof when he delivered the policy, though it prohibited a waiver by an agent in any way other than by written indorsement.

An insurer waives a forfeiture for other insurance where he had such information which, if pursued, would have led to actual knowledge thereof when he issued the policy. *Gandy v. Orient Ins. Co.*, 29 S. E. 655.

*Life.**Premium Note.*

Defendant issued to one S. a life insurance policy, subject to the conditions that the first year's premium should be paid on delivery of the policy, that no agent should have power to alter any of the terms of the policy or waive a forfeiture, and that it should constitute no contract of insurance until the first premium should have been paid during the life of the applicant in the same condition of health as when he applied. The policy was issued by a general agent of the company, who solicited S. to take the insurance, and proposed to arrange for the premium payment so as to be mutually satisfactory. When the policy was issued, S. delivered to the agent a note for the amount of the premium, of the maturity of which he was afterwards notified by the company's cashier, who referred to it as a note given "in settlement" of the premium. It appeared that, at the maturity of the note, S. gave the agent a check for the amount, which the agent held for some days, and then deposited, and which was returned unpaid. The agent wrote to S., requesting him to take up the check, and S. explained his failure to protect it by saying he had been taken sick, and promised to take it up in a few days, to which the agent agreed; but before doing so, S. died of the illness with which he had been attacked. Held, that it appeared that the note was accepted by the company in payment of the first year's premium, but that, at all events, since the company knew, through the knowledge of its agent, that it was represented to S. that he had insurance, and was to have credit for the premium, it must be presumed to have waived the provision for immediate payment of the premium, or to have held itself estopped to set it up, since to hold otherwise would impute to the company a fraudulent intent to

deliver and receive pay for an invalid instrument, and such intent would not be presumed. *Judgment* (Sup. 1894) 27 N. Y. S. 724, 76 Hun. 267, reversed.—*Stewart v. Union Mut. Life Ins. Co.*, 49 N. E. 876, 155 N. Y. 257.

On November 13th, when the premium fell due, the company accepted assured's note at 30 days, reciting that, if it were not paid when due, there would be no further extension, and the policy should cease. On December 11th, in reply to a request for a further extension, the company wrote assured that "we hand you herewith an extension form, which please sign, and return to us by due course of mail, when we will send you a receipt carrying your insurance in full force until the time named on the inclosure. This will be the latest day we can give you." The extension form inclosed was a note like that given for the first extension, in consideration of which the time of paying premium was to be extended to December 31st. Held, that such letter, without said note being executed and delivered, did not constitute a completed contract, which bound the company to carry the policy in force until December 31st.—*Etna Life Ins. Co. v. Ragsdale's Adm'r*, 29 S. E. 328.

*Accident.**Dentistry Poison.*

Under an accident policy containing a condition that the liability of the assurer shall not extend to injuries resulting wholly or in part from poison or anything accidentally or otherwise taken, administered, absorbed or inhaled, no liability arises from a death caused by blood poisoning from the effects of the absorption of septic poison evolved in cotton inserted by a dentist in wounds caused by the removal of teeth to stop hemorrhage.—*Kasten v. Interstate Casualty Co.*, 74 N. W. 534.

Blood Poisoning from Shoe.

"Accidental means" are those which produce effects which are not their natural and probable consequences. An effect which is a natural and probable consequence of an act, or course of action, is not an accident; but one which is not the natural and probable consequence of an act, or course of action, is produced by accidental means, and is an accident.

Where blood poisoning results from an abrasion of the skin of a toe by a new shoe, and death follows, the death is properly attributable to "bodily injuries effected by external,

violent and accidental means," within the meaning of an accident policy.—*Western Commercial Travelers' Ass'n v. Smith*, 85 F. 401.

Assessment.

Assignment.

The defendant, a life insurance company, issued a policy of insurance, by the terms of which it agreed to pay a stipulated amount within 90 days after receipt of satisfactory proof of the death of the insured. The policy was duly assigned by the insured, and after his death satisfactory proofs were submitted, but the company refused payment to the assignee because of noncompliance with certain requirements (not contained in the policy) as to proof of the assignment. Held, that the defendant could not ingraft requirements additional to that contained in the policy, and was not entitled to demand from the assignee proof of the assignment as a condition precedent to the assignee's right to recover, if in fact he was the assignee, and, if it refused to recognize him, it did so at the peril of being compelled to pay in case its objections to his title should prove to be ill-founded.—*Braker v. Connecticut Indemnity Ass'n*, 50 N. Y. S. 547.

Victory for the Plaintiff Companies.

INSURANCE COMMISSIONER OF CALIFORNIA IS BEATEN—JUDGE MORROW OF THE U. S. CIRCUIT COURT RULES AGAINST THE DEFENDANT ON EVERY POINT.

On January 27, 1898, an order was issued by Judge Morrow of the United States circuit court, requiring the California insurance commissioner to show cause on February 7 why an injunction should not issue as prayed for by a large number of other-State and foreign fire insurance companies. Meantime the defendant commissioner was restrained from doing any of the things threatened by him, and from revoking the certificates of authority issued to complainants. The defendant subsequently appeared before the court and obtained a modification of the

order, on the plea that it prohibited him from taking any action in the event of insolvency.

Judge Morrow upholds the insurance companies. He rules that the tax law is unconstitutional; that the Board of Fire Underwriters is not an illegal body; that the commissioner must furnish an acceptable form for a bond and must in good faith pass on the surety thereto; that if the commissioner finds that a company has failed to comply with the laws of the State in any respect, and no specific method of procedure has been prescribed by the statute, he must communicate the fact to the attorney-general, who may take such action as may be appropriate.

The court concludes:

"What can be more clear than the fact that it is not necessary to enlarge the commissioner's powers in one direction to secure an enforcement of the law in another?"

"The duty of the commissioner is partly ministerial and partly discretionary. With respect to the performance of those duties in which he exercises his discretion in good faith, the courts will not review his judgment or restrain his action, but the discretion he may thus exercise *must be a legal discretion* and within the limitations of his authority. He can not act *arbitrarily or capriciously*, or in disregard of the established rules of law."

"It does not follow that he may adopt any course or pursue any method that will accomplish the purpose he has in view. The law furnishes the guide and regulates the performance of official conduct and will be construed as conferring those powers only which are expressly imposed or necessarily implied."

*In the Circuit Court of the United States,
Ninth Judicial Circuit, Northern District
of California.*

IN EQUITY.

Liverpool & London & Globe
Insurance Company et al.,

Complainants,

vs. (No. 12,557)

Andrew J. Clunie, Insurance Commis-
sioner of the State of California,

Defendant.

Hartford Insurance Company et al.,

Complainants,

vs. (No. 12,563)

Andrew J. Clunie, Insurance Commis-
sioner of the State of California,

Defendant.

Hanover Fire Insurance
Company et al.,

Complainants,

vs. (No. 12,564)

Andrew J. Clunie, Insurance Commis-
sioner of the State of California,

Defendant.

American Fire Insurance
Company et al.,

Complainants,

vs. (No. 12,566)

Andrew J. Clunie, Insurance Commis-
sioner of the State of California,

Defendant.

Springfield Fire and Marine
Insurance Company et al.,

Complainants,

vs. (No. 12,567)

Andrew J. Clunie, Insurance Commis-
sioner of the State of California,

Defendant.

OPINION

On Order to Show Cause why a Prelim-
inary Injunction Should not Issue.

T. C. Coogan, Esq., Solicitor for
Complainants; Messrs. Wilson & Wil-
son, W. S. Goodfellow, Esq., and John
Garber, Esq., of Counsel.

Messrs. Bridgford & Clunie, Solici-

tors for Defendant; George D. Collins,
Esq., and Eugene F. Bert, Esq., of
Counsel, and the defendant in propria
persona.

MORROW, Circuit Judge.—Five bills
in equity have been filed by sixty-two
fire insurance companies, doing busi-
ness in the State of California, against
Andrew J. Clunie, Insurance Commis-
sioner of the State of California, to
restrain him from doing certain acts
which, it is alleged, will cause the
complainants irreparable injury.

In bill No. 12,557, the complainants
are thirty-four foreign corporations,
viz: twenty-one incorporated under the
laws of Great Britain and Ireland;
two under the laws of the Dominion of
Canada; seven under the laws of the
Empire of Germany; two under the
laws of the Republic of Switzerland;
one under the laws of the colony of
New Zealand; and one under the laws
of the Kingdom of Sweden.

In bill No. 12,563 the complainants
are six corporations incorporated un-
der the laws of the State of Connecti-
cut.

In bill No. 12,564 the complainants
are ten companies incorporated under
the laws of the State of New York.

In bill No. 12,566 the complainants
are five companies incorporated under
the laws of the State of Pennsylvania.

In bill No. 12,567 the complainants
are seven companies incorporated un-
der the laws of the states of Massa-
chusetts, New Jersey, Missouri, Minne-
sota, Wisconsin, Rhode Island, and
Louisiana.

The questions presented for deter-
mination in these several bills are sub-
stantially the same, and will, there-
fore, be considered together.

The bills allege that the complain-
ants are corporations formed for the
purpose of insuring against loss or
damage by fire and are engaged in
carrying on the business of fire insur-
ance in the State of California; that,
before commencing the business, each
of them, in accordance with the law of

the State, procured from the insurance commissioner of the State then in office a certificate of authority, authorizing it to transact insurance business in the State, and paid to the commissioner therefor the sum of \$20 for each certificate as required by law; that these certificates are still in force and have not been canceled, revoked, surrendered, or in any wise impaired; that each of the complainants, at all the times mentioned in the complaint, was, and has continued to be, and is, fully solvent; that they have not at any time transferred, or caused to be transferred, to the United States Circuit Court any action commenced against them, or any of them, in a Court of the State of California, and that they have at all times complied with the laws of the State.

The bills allege, further, that in the year 1885 the Legislature of the State of California passed an act entitled, "An Act to require the payment of certain premiums to counties, and cities and counties, by fire insurance companies not organized under the laws of the State of California, but doing business therein, and providing for the disposition of such premiums"; that by its terms this act purported to require the agents of corporations not incorporated under the laws of this State, but carrying on the business of fire insurance therein, to pay to the county treasurer of every county, or city and county in this State, for the use and benefit of the Firemen's Fund of said county, or city and county, on the first Monday in December of each year a sum equal to one per cent. upon the amounts of all premiums which, during the year or part of a year ending on the last preceding Monday or September, should have been received by such agent or person, or any other person or agent, acting during such period for such corporation so engaged in such business, or should have been agreed to be paid to such corporation, or its agents, for any insurance effected, or agreed to be effected, by such corporation within the limits of such county, or city and county; that this act is in violation of the constitution of the State of California and is null and void, and has been so adjudged by the Supreme Court of the State of California; that, notwithstanding the invalidity of such act, the defendant, as insurance commissioner, claims and asserts that the act of the legislature is valid and that all foreign corporations

carrying on the business of fire insurance in this State are under obligations to pay said taxes, and claims and asserts that, in case of failing so to do, such foreign corporations may and should be prevented from carrying on the business of fire insurance in this State; that the defendant, as insurance commissioner, further claims and asserts that he has power and authority conferred upon him, by the laws of the State, as such insurance commissioner, to enforce the payment by said foreign corporations of such taxes, or, failing in such payment, to exclude such corporations from carrying on the business of fire insurance in this State; that none of the complainants have paid any taxes or percentages required be paid by the act of the legislature since the year 1885; that the amount of such taxes and percentages remaining unpaid and which would be due and payable by the complainants, if the said act of the legislature were valid, is the sum of \$278,000 and upwards; that the defendant, as insurance commissioner, demanded from each of the complainants, in respect to the business respectively transacted by them, the payment of said taxes accrued since the year 1885, and demanded that such payment be made, or that each of the complainants cease the transaction of insurance business in this State on or before the first day of February, 1898; that the defendant threatens and intends, in case said taxes be not paid as demanded, to revoke the certificates of authority held by the complainants and forbid them from transacting the business of fire insurance in this State, and threatens and intends, after revoking said certificates of authority, to give notice to the public, by advertisements in newspapers, that said certificates have been revoked and that complainants are forbidden to transact the business of fire insurance in this State and that all policies of insurance and contracts made by them thereafter will be null and void; that complainants have been transacting the business of fire insurance in this State for a number of years; that each of them has established agencies throughout the State of California at divers places and that each of them has expended large sums of money in establishing said agencies and in advertising their business and in providing supplies therefor; that each of the complainants has a large and valuable business in the State of

California of the value of \$20,000 and upwards; that if the defendant be permitted to carry his threats into execution and revoke said certificates of authority, complainants, and each of them, will be obstructed in the conduct of their business, their customers and the public will be deterred from accepting their policies of insurance, and will insure their property with other insurance companies, and that the business of each of the complainants, at present large and valuable, will be utterly ruined and destroyed; that if the defendant be not restrained by injunction and be permitted to carry his threats into execution, multiplicity of suits will result, in that each of the complainants will be compelled to commence an action for damages against the defendant, and in that the defendant will commence actions to recover penalties against the agents of each of the complainants continuing to transact business, pursuant to the provisions of section 596 of the Political Code of the State of California; that the complainants are without adequate remedy at law in the premises; that the injury threatened to them is irreparable, and that the damages which will be sustained by them are difficult or impossible of exact ascertainment. The prayer of the bill in case No. 12,557 is that it be adjudged, by the decree of the Court, that the act of the Legislature of 1885 is null and void, and that the complainants are not under any obligation to pay the taxes or percentages therein mentioned, either as a tax or as a condition of their doing the business of fire insurance in this State; that the defendant be enjoined and restrained from revoking the certificates of authority, or any of them, issued to the complainants, or from in any manner obstructing or interfering with the complainants, or any of them, or their agents, in the transaction of fire insurance business in the State of California, and for a writ of injunction pendente lite restraining the defendant from doing any of the acts mentioned in the bill of complaint.

The bill of complaint in case number 12,557 was filed January 27th, 1898, and, on the same day, an order was issued requiring the defendant to show cause, on February 7, 1898, why an injunction should not issue as prayed for in the bill of complaint, and, in the meantime, the defendant was restrained from doing any of the acts or things

mentioned in the bill of complaint, and threatened by him, and from revoking any of the certificates of authority theretofore issued by the Insurance Commissioner, of the State of California to the complainants, or any of them, and from interfering with or obstructing the complainants, or any of them, or their agents, in the transaction of fire insurance business in the State of California.

After the filing of the bill and after the order to show cause had been issued and served, to-wit: on the 28th day of January, 1898, the defendant appeared before the judge of this Court in Chambers and asked for and obtained a modification of the restraining order, striking therefrom the provision restraining the defendant from interfering with, or obstructing, the complainants, or any of them, or their agents, in the transaction of fire insurance business in the State of California.

On February 7, 1898, the complainants appeared and filed a supplemental bill of complaint, in which it is alleged that the modification of the restraining order was obtained at about the hour of three o'clock, p. m., on Friday, the 28th day of January, 1898, and that at the hour of 12:30 o'clock, p. m. on Saturday, the 29th day of January, 1898, the defendant made and filed in his office an official order or document, wherein he recited that it appeared to him that the bonds theretofore given by the complainants, and each of them, were insufficient and invalid, and that he, as Insurance Commissioner, by virtue of the powers vested in him by the laws of the State did thereby adjudge and determine each and every of said bonds to be invalid and insufficient, and accordingly that each and every of the complainants and their agents were therefore required to forthwith renew said bonds by substituting valid and sufficient bonds duly approved by him in place thereof; that said order contained no other matter or information than as herein stated, save the names of the companies whose bonds were declared to be invalid, their agents and the dates of filing the same, and that it in no wise indicated wherein or for what reasons the said bonds were found or determined to be invalid or insufficient; that upon the complainants being notified by the defendant that he claimed that their bonds were invalid and insufficient, their attorneys called upon the defendant and inquired in

what respect their bonds were invalid and insufficient; that the defendant refused to give any reply other than to refer to the order which he had made; that inquiry was made as to whether it was claimed by him that any of the sureties upon any of the bonds were insolvent or insufficient in point of financial capacity, to which inquiries the defendant refused to make answer save to refer to the order he had made; that the defendant was requested to furnish a form of a bond or specify the terms of a bond which would be satisfactory to him, with which request the defendant refused to comply. It is further alleged that, on the 30th day of January, 1898, the defendant made the following statement, well knowing and intending that it would be published in the newspaper and thus give widespread circulation throughout the State; "I have made my order and my future action depends upon what the insurance companies may have to say. Do I think they will furnish new bonds? I think they will, but whether I will approve them is another question. If the bond is not acceptable I have the right to reject it, and deny to the company a certificate to do business in the State. I shall certainly refuse the bond of any company which is in arrears for the tax provided by the law of 1885. They claim, of course, that this has been declared unconstitutional by the Supreme Court. Well, I don't dispute that. I am aware that the Supreme Court decided against the law on the ground that it was an attempt on the part of the legislature to levy a municipal tax. Of course, under that ruling it would be absurd to undertake the collection of the tax by process of law, but if the companies don't desire to comply with what the law intends, there is no reason why they should not be barred from doing business here."

It is alleged that the bonds were in strict accordance with the laws of the State and in all respects valid and sufficient, and each for the sum of two thousand (\$2,000) dollars; that, prior to making the order of January 29, 1898, the defendant did not make investigation of the facts concerning the alleged invalidity or insufficiency of such bonds, and did not, in fact, exercise any judgment or discretion in relation thereto, and that no fact or circumstance showing, or tending to show, the invalidity or insufficiency of said bonds, or any of them, was ascer-

tained by or brought to the knowledge of the defendant, or existed in fact.

The bill contains further allegations denying the good faith of the defendant in his statements and actions respecting the validity and sufficiency of the bonds; his refusal to approve new bonds and his expressed intention to refuse to approve any of the new bonds prepared and executed by the complainants unless they shall first pay the taxes attempted to be imposed by the act of 1885.

The prayer of the supplemental bill is that the defendant be enjoined and restrained from further declaring or asserting to be invalid or insufficient the complainant's bonds, or any of them, and from instituting or causing to be instituted, or from inciting others to institute any suits, actions or proceedings against complainants, their agents or brokers, or any of them, and from, in any way, obstructing or interfering with complainants, or any of them or their agents, in the transaction of fire insurance business, and for a writ of injunction pendente lite, restraining the defendant from doing any of the acts mentioned in the supplemental bill. A second order was thereupon issued, requiring the defendant to show cause, on February 14, 1898, why a writ of injunction should not issue as prayed for in the supplemental bill, and, pending the hearing, the defendant was restrained from further declaring or asserting the invalidity or insufficiency of complainant's bonds, and from, in any manner, obstructing or interfering with the complainants, or any of them, or their agents, in the transaction of fire insurance business.

It is insisted, on behalf of the defendant, that the act of the Legislature of 1885 is not null and void, and is not in violation of the Constitution of the State of California, or of the Constitution of the United States, but that it is a valid and subsisting condition precedent to the transaction of business in said State by the corporations which it affects. The defendant has, however, in response to the order to show cause, filed a voluminous affidavit, in which he alleges, among other things, that, as Insurance Commissioner, he does not claim or assert, and never has claimed or asserted, that he has power and authority conferred upon him by the laws of the State of California, to enforce the payment by foreign corporations of the taxes provided for by the said act of the Legislature, or, failing in such pay-

ment, to exclude such corporations from carrying on the business of fire insurance in the State; that, as Insurance Commissioner, he does not threaten or intend, and has never threatened or intended, in case said taxes be not paid on or before the first day of February, 1898, to revoke the certificates of authority held by the complainants, or to forbid them from transacting the business of fire insurance in the State; that he will not carry any of the threats referred to in the bill into execution nor will he revoke any of the certificates of any of said complainants, nor will he give public notice that he will carry such threats into execution or revoke such certificates, or any of them, nor warn all or any persons that policies of insurance, or other contracts, made by them thereafter will be null and void.

With respect to the matters set forth in the supplemental bill of complaint, defendant alleges that no one of the complainants gave a bond pursuant to the provisions of section 623 of the Political Code of California; that defendant, in rejecting the bonds offered and tendered by the complainants, and in holding them to be insufficient and invalid, did so after due examination and investigation into the matter, and in the exercise of discretion conferred upon him by law. This allegation is repeated in other forms, but, in substance, the claim of the defendant is, that in declaring the bonds of the complainants to be invalid and insufficient he made full and complete investigation of the facts concerning their invalidity and insufficiency, and did, in fact, exercise his official judgment and discretion in relation thereto and did ascertain facts and circumstances showing, and tending to show, the invalidity and insufficiency of each and all of said bonds, and that he is ready and willing to approve of valid and sufficient bonds, when furnished by insurance companies authorized to do business under the laws of the State.

The defendant further alleges that the complainants should not be heard nor permitted to prosecute or maintain these actions against the defendant, for the reason that the complainants are now, and have been, for many years, transacting insurance business in the State of California as members of a certain illegal combination and compact known and designated by the name of the "Board of Fire Underwriters of the Pacific"; that the main

purpose of this organization is to prevent and suppress competition in the insurance business, to control the fixing of and to fix the rates of premiums to be charged on insurance, to regulate and prevent rebates, to fix the compensation for insurance business, to regulate premium collections, and to appoint agencies; that seven-eighths of the insurance companies authorized to transact business in this State are members of this combination. The defendant sets forth in full the constitution of the Board of Underwriters of the Pacific, and claims that it necessarily results therefrom that the complainants are engaged in carrying on business in an unlawful manner and that the action of the complainants against the defendant is in furtherance of such unlawful interference, and, as evidence of the truthfulness of this charge, he refers to a circular dated February 24, 1898, addressed to the Local Fire Insurance Agents in this State by the Board of Fire Underwriters of the Pacific, concerning the action of the Insurance Commissioner in declaring the bonds of the complainants invalid, the proceedings in this Court, and the fact that the companies are conducting business as usual.

A preliminary objection has been made by the defendant, that the bills are multifarious on the grounds that while it appears that the complainants are all interested in the question involved in the controversy, their interests are otherwise severable, distinct, and independent, and that they are, therefore, not entitled to unite in these several actions. As this objection is directed to matters appearing on the face of the bills, it should, properly, be raised by demurrer. It is, however, urged as a *parol* exception to the legal sufficiency of the bills under rule 67 of this Court. The exception cannot be sustained. A court of equity will, in a single suit, take cognizance of a controversy, determine the rights of all the parties, and grant the relief requisite to meet the ends of justice in order to prevent a multiplicity of suits, where a number of persons have separate and individual claims and rights of action against the same party, but all arise from some common cause, are governed by the same legal rule, and involve similar facts, and the whole matter may be settled in one action brought by all these persons uniting as co-plaintiffs. *Pomeroy v. Eq. Jur.*, secs. 243, 245, 255, 269; *Libbey v. Norris*, 142 Mass. 246; *Osborne v. Wisconsin Cent.*

R. R. Co., 43 Fed. Rep. 824; Macon etc. R. R. Co. v. Gibson, 85 Ga. 1, s. c. 21 Am. St. Rep. 134; Sang Lung v. Jackson, 85 Fed. Rep. 502, 504; Smyth v. Ames, 169 U. S. 466.

The case of Scott v. Donald, 165 U. S. 107, cited by the defendant as sustaining his objection, is, in my opinion, not opposed to this doctrine. It appears, in that case, that James Donald, a citizen of the United States and of the State of South Carolina, in his own behalf and on behalf of all other persons in the State of South Carolina as importers for their own use and consumers of wines, ales and spirituous liquors, the products of other States and foreign countries, filed a bill in equity against J. M. Scott et al., claiming to act as constables of the State of South Carolina, and all other persons whomsoever claiming to act as constables or as county sheriffs, municipal policemen or executive officers or county sheriffs, or in any capacity whatsoever, under or by virtue of a certain act of the Legislature of the State of South Carolina. The action was to restrain the defendants from forcibly entering, or attempting to search, the dwelling house of the plaintiff for liquors of the character mentioned and from hindering and preventing the plaintiff, or any other person, from importing, holding possession and using the said liquors so imported. A preliminary injunction was issued as prayed for in the bill of complaint, and afterwards, upon the pleadings and agreed statement of the facts, the injunction was made perpetual. In the Supreme Court of the United States, upon a writ of error, the decree was affirmed but restricted to the parties named as plaintiffs and defendants in the bill. The objection to the decree as to parties not named as plaintiffs was, that, as to them, the complainant assumed to act in a representative capacity for a class of numerous persons situated like himself with respect to the matter in controversy. The Court held that such a state of facts was too conjectural to furnish a safe basis upon which a court of equity ought to grant an injunction, meaning, of course, an injunction in favor of plaintiffs and binding upon defendants not named in the bill, for the Court expressly held that the complainant was entitled to an injunction against those defendants who had despoiled him of his property and who were threatening to continue to do so, and upheld the decree of the Cir-

cuit Court to that extent. In the present case, the plaintiffs do not act in a representative capacity, but all are parties to the several bills, by a classification under which the plaintiffs in each suit have the same corporate rights and are under the same corporate obligations with respect to the business in which they are engaged.

In Smyth v. Ames, 169 U. S. 466, the Supreme Court had before it three cases involving the constitutionality of an act of the Legislature of the State of Nebraska, regulating railroads, classifying freights, fixing reasonable maximum rates, etc. There, as here, all the plaintiffs were interested in the subject matter of the controversy, but were classified in three suits with respect to their rights under certain corporate franchises. The opinion of the Court, with respect to the question as to what community of interests will entitle plaintiffs to unite in one action to avoid a multiplicity of suits is peculiarly applicable to the facts in the cases at bar and appears to determine the question beyond controversy. The Court says: "In these cases the plaintiffs, stockholders in the corporations named, ask a decree enjoining the enforcement of certain rates for transportation upon the ground that the statute prescribing them is repugnant to the constitution of the United States. Under the principles which in the federal system distinguish cases in law from those in equity, the circuit court of the United States, sitting in equity, can make a comprehensive decree covering the whole ground of controversy, and thus avoid the multiplicity of suits that would inevitably arise under the statute. The carrier is made liable not only to individual persons for every act, matter, or thing required to be done, but to a fine of from \$1,000 to \$5,000 for the first offense, from \$5,000 to \$10,000 for the second offense, from \$10,000 to \$20,000 for the third offense, and \$25,000 for every subsequent offense. The transactions along the line of any one of these railroads, out of which causes of action might arise under the statute, are so numerous and varied that the interference of equity could well be justified upon the ground that a general decree, according to the prayer of the bills, would avoid a multiplicity of suits, and give a remedy more certain and efficacious than could be given in any proceeding instituted against the company in a court of law; for a court of law could only deal with each sep-

arate transaction involving the rates to be charged for transportation. The transactions of a single week would expose any company questioning the validity of the statute to a vast number of suits by shippers, to say nothing of the heavy penalties named in the statute. Only a court of equity is competent to meet such an emergency, and determine once for all, and without a multiplicity of suits, matters that affect not simply individuals but the interests of the entire community as involved in the use of a public highway and in the administration of the affairs of the quasi public corporation by which such highway is maintained."

It is further objected by the defendant that the complainants should not be allowed to come into a Court of equity for relief, and, in support of this objection, he invokes the maxim that he who comes into a court of equity must do so with clean hands. The inequitable conduct charged against the complainants is that they are members of an illegal combination and compact known and designated by the name of the "Board of Fire Underwriters of the Pacific"; that the main purpose of this association is to prevent and suppress competition in the insurance business in this State, to control the fixing of premium rates to be charged on insurance, to regulate and prevent rebates, to fix compensation for insurance, to regulate premium collections and to appoint agencies; that seven-eighths of the insurance companies authorized to transact business in the State are members of this confederation. In opposition to this charge, the affidavit of Rolla V. Watt, who is the General Manager of the Royal Insurance Company and the Queen Insurance Company and also a member of the executive committee of the Board of Fire Underwriters of the Pacific, alleges that the last-named association is not an incorporation or association formed for business purposes and is not conducting any independent business on its own behalf; that it is merely the agent of the several insurance companies carrying on business in this State which are members thereof for the more convenient transaction of business between themselves; that it has not, nor does it attempt to exert, any influence or control over persons, or corporations, who are not members thereof; that its purpose is not to stifle competition, nor to restrict the amount of insurance business

done, but by co-operation to induce owners of property to take greater precautions to avoid loss and damage by fire and to adopt inventions and other means to that end, such inducement being effected by reducing rates of premium; also to prevail upon the several municipalities of the State to maintain fire departments and adopt means and inventions of preventing and suppressing loss by fire; to assist the public authorities to prosecute and condemn persons guilty of arson and by divers other means and ways to decrease the amount of loss by fire and to reduce the hazards of the fire insurance business, and also to establish rates of premium which are reasonable and uniform and only fairly remunerative, based upon the combined experience of all the members thereof; that a large number of insurance companies doing business in this State are not members of said Board of Fire Underwriters; that said insurance companies so doing business in this State, and which are not members of said association, have in fact the capacity to transact all the insurance business in this State if the same were intrusted to them, and might do so with safety to themselves by reinsuring with other insurance companies in the United States, in which there are, in number, 175 or thereabouts.

It will not be necessary to enter into a discussion of the facts thus presented for the purpose of determining the legality of the Board of Underwriters in this action or to ascertain how far its acts are open to just criticism. It is manifest that if such a controversy is disclosed, it is foreign to the one now before the Court. The maxim, that he who comes into equity must come with clean hands, has its limitations. It does not apply to every unconscientious act or inequitable conduct on the part of the complainants. The iniquity, which deprives a suitor of a right to justice in a court of equity, is not general iniquitous conduct unconnected with the act of the defendant which the complaining party states as his ground or cause of action, but it must be evil practice or wrong conduct in the particular matter or transaction in respect to which judicial protection or redress is sought. *Woodward v. Woodward*, 41 N. J. Eq. 224; 1 Pom. Eq. Jur. 399.

The declarations of the defendant, in his affidavit, disclaiming all power and authority as Insurance Commissioner

to enforce the payment of the taxes provided for by the act of the Legislature of 1885 and the power to exclude foreign insurance corporations from the State who fail to pay such taxes, and his further disclaimer of any intention to revoke their certificates of authority to transact fire insurance business in the State, would dispose of that feature of the controversy, but for the fact that the defendant insists that the act of 1885 is constitutional and a valid and subsisting condition precedent to the transaction of business by the corporations to which it relates, and the fact that, prior to the commencement of these suits, he had so notified the thirty-four foreign insurance companies constituting the complainants in case number 12,557 officially in writing and had demanded that they should forthwith comply with the terms of the law and make the payments therein required, or that they should cease the transaction of fire insurance business in this State. This notice called the attention of the insurance companies to section 595 of the Political Code of the State, providing that "The Insurance Commissioner . . . must issue a certificate of authority to transact insurance business in this State to any persons in a solvent condition, who have fully complied with the laws of this State and are in no wise in arrears to the State or to any county or city of the State, for fees, licenses, taxes, or penalties accrued upon business previously transacted in the State." The notice also called attention to the fact that in the same section it was made the duty of the Insurance Commissioner to perform "all other duties imposed upon him by the laws regulating the business of insurance in this State, and enforce the execution of such laws," and that, in section 596 of the same Code, it was provided that "No person or company must transact insurance business in this State without first procuring from the insurance commissioner a certificate of authority, as in this chapter provided."

This notice was issued from the office of the commissioner on December 31, 1897, and does not appear to have been recalled or suspended except in so far as it may be deemed to be inconsistent with the declarations contained in the defendant's affidavit on the present hearing. Moreover, the defendant, in declaring the bonds of all the complainants insufficient and in-

valid, on the 29th day of January, 1898, without previous notice, undertook to deprive the complainants of their authority to transact business in this State and to compel them to furnish new bonds and to procure new certificates. No reason was given in the order for this action, and the charge that it was an arbitrary proceeding is supported by the fact that the bonds which the defendant declared insufficient and invalid were made out on forms prescribed by the Insurance Commissioner of the State, and two of them had been previously accepted and approved by the defendant himself. It appears, further, that, on the 30th day of January, 1898, the defendant made this declaration: "I have made my order and my future action depends upon what the insurance companies may have to say. Do I think they will furnish new bonds? I think they will, but whether I will approve them is another question. If the bond is not acceptable I have the right to reject it and deny to the company a certificate to do business in the State. I shall certainly refuse the bond of any company which is in arrears for the tax provided by the law of 1885. They claim, of course, that this has been declared unconstitutional by the Supreme Court. Well, I don't dispute that. I am aware that the Supreme Court decided against the law on the ground that it was an attempt on the part of the Legislature to levy a municipal tax. Of course, under that ruling it would be absurd to undertake the collection of the tax by process of law. But if the companies don't desire to comply with what the law intends, there is no reason why they should not be barred from doing business here."

It is manifest, from this statement, that the original purpose of the defendant was to compel the insurance companies, not incorporated by or under the laws of this State, to pay the taxes provided for in the Act of March 3, 1885, and notwithstanding the positive assertions of the defendant in his affidavit to the contrary, it is not clear that he has entirely abandoned that purpose. There is indeed some ground for believing that he is endeavoring to accomplish indirectly what he is not able to accomplish directly, and it, therefore, becomes important to determine preliminarily the validity of the act of March 3, 1885.

The Constitution of the State of California, adopted in 1879, provides, in

Article XI, section 12, that "the legislature shall have no power to impose taxes upon counties, cities, towns, or other public or municipal corporations, or upon the inhabitants or property thereof, for county, city, town, or other municipal purposes, but may, by general laws, vest in the corporate authorities thereof the power to assess and collect taxes for such purposes." Pursuant to this provision of the Constitution, the legislature established a uniform system of county and township governments by the act approved March 14, 1883; Stats. of 1883, 299, and provided for the organization, incorporation and government of municipal corporations by the act approved March 13, 1883 (Stats. of 1883, p. 93). By these acts, the legislature, as required by the Constitution, vested in the county and municipal corporations of the State full power and authority to assess and collect taxes for county and municipal purposes. Notwithstanding this distribution of the power of taxation for local purposes, the legislature, by the act of March 3, 1885, undertook to exercise that power for the purpose of raising a revenue from foreign insurance companies to establish a Firemen's Relief Fund, to be disbursed locally. The first section of the act provided that every agent of every fire insurance corporation or company not incorporated under the laws of the State should pay into the hands of the treasurer of the county, or city and county, in the State, a sum equal to one per centum upon the amount of all premiums which, during the year, or part of a year, ending on the last preceding first Monday of September, shall have been received by such agent or person, or any other person or agent acting during such period for said corporation or company so engaged in said business, or which shall have been agreed to be paid such corporation or company, or his or their agents, for any insurance effected, or agreed to be effected, by such corporation or company, against loss or injury by fire upon property situate within the limits of said county, or city and county. The second section required that the tax provided for by the act, when paid or collected by the person or officer entitled thereto, should constitute a fund, to be known and designated as "The Firemen's Relief Fund" of the county, or city and county, in which the property insured, or agreed to be insured, is situated. The

third section provided that such fund should be under the exclusive control of the Fire Commissioners, or other governing body of the fire department or fire departments of such county, or city and county, under such regulations as the Board of Supervisors thereof might prescribe. The other sections of the act provided for the disposition of the fund thus raised, authorizing them to be disbursed by officers and to members of the fire department of the city, or the city and county, to whose treasurer they were required to be paid. Statutes of Cal. 1885, p. 13.

In 1886, the City and County of San Francisco brought suit in the Superior Court of the City and County of San Francisco to recover from the Liverpool and London and Globe Insurance Company the sum of \$441,36, alleged to be due under the provisions of this act. The defendant demurred to the complaint on the ground that the act was unconstitutional and void. The demurrer was overruled and a judgment entered in favor of the plaintiff. On appeal to the Supreme Court of the State, the judgment was reversed, the Court holding that the act attempted to impose a charge for the purpose of revenue and was a tax imposed by the legislature of the State for municipal purposes and, therefore, unconstitutional and void, and that, as a condition upon which foreign corporations might be permitted to do business in the State, it was void for the reason that the legislature could not exercise a power clearly denied to it by the Constitution of the State. (*City and County of San Francisco v. Liverpool & London & Globe Ins. Co.*, 74 Cal. 113.) This decision certainly disposes of the contention that the terms of the act may be enforced as a condition, if not as a tax, and as it is a construction placed by the highest court of the State upon its own constitution and statute, it is binding upon this court and must be followed. *Forsyth v. Hammond*, 166 U. S. 506, 518.

In *Norton v. Shelby County*, 118 U. S. 425, certain persons who undertook to act as County Commissioners were adjudged to be usurpers as against others who were lawful officers, and it was held by the Supreme Court that as the acts of the legislature, which created the Board of Commissioners, was unconstitutional, there were no *de facto* officers, and, therefore, no *de jure* officers, and answering the argument

that a legislative act, though unconstitutional, might in terms create an office and that nothing further than its apparent existence was necessary to give validity to the acts of the assumed incumbent. Mr. Justice Field, speaking for the Court, said: "An unconstitutional act is not a law; it confers no rights; it imposes no duties; it affords no protection; it creates no office; it is, in legal contemplation, as inoperative as though it had never been passed." But as the defendant does not now claim that he can enforce this law against the complainants, this feature of the case may be dismissed without further comment, except to say that the defendant's action, on January 29th, 1898, in declaring that the complainants' bonds were insufficient and invalid, cannot be justified for the reasons given by him in his statement of January 30, 1898. He then declared that he would certainly refuse the bond of any company that was in arrears for the tax provided by the act of 1885. This declaration was, in effect, a notice that the bonds of the eighty-three insurance companies, which he had adjudged insufficient and invalid on the 29th day of January, 1898, had been so adjudged by reason of such arrearage.

We come now to the consideration of the defendant's action in declaring the bonds in question insufficient and invalid aside from the reasons given by him for such action on January 30, 1898. It is contended, on behalf of the defendant, that the complainants were not entitled to know his reasons; that he was exercising quasi judicial powers in passing upon the sufficiency and validity of their bonds, and that his action in that respect cannot be reviewed by the Court in this proceeding.

Section 595 of the Political Code of California provides that: "The insurance commissioner must receive all bonds and securities of persons engaged in the transaction of insurance business in this State, and file and safely keep the same in his office, or deposit them as provided in this article. He must examine and inspect the financial condition of all persons engaged, or who desire to engage, in the business of insurance; issue a certificate of authority to transact insurance business in this State to any persons in a solvent condition, who have fully complied with the laws of this State, and are in no wise in arrears

to the State, or to any county or city of the State, for fees, licenses, taxes, or penalties accrued upon business previously transacted in the State; determine the sufficiency and validity of all bonds and other securities required to be given by persons engaged, or to be engaged, in insurance business, and cause the same to be renewed in case of the insufficiency or invalidity thereof. . . ."

Section 623 of the same Code provides that "The commissioner must require every company, association, or individual, not incorporated under the laws of this State, and proposing to transact insurance business by agent or agents in this State, before commencing such business to file in his office a bond, to be signed by the person or firm, officer or agent, as principal, with two sureties, to be approved by the commissioner, in the penal sum of two thousand dollars for each insurance company, association, firm, or individual for whose account it is proposed to collect premiums of insurance in this State, the conditions of such bonds to be as follows:

1. That the person or firm, agent or officer, named therein, acting on behalf of the company, association, firm, or individual named therein will pay to the treasurer of the county, or city and county, in which the principal office of the agency is located, such sum per quarter, quarterly in advance, for a license to transact an insurance business, or such other license as may be imposed by law, so long as the agency remains in the hands of the person or firm, officer or agent, named as principal in the bond;

2. That the person or firm, officer or agent, will pay to the State all stamps or other duties on the gross amounts insured by them, in the manner and at the time prescribed by law, inclusive of renewals or existing policies;

3. That the person, firm, agent, or corporation named therein will conform to all the provisions of the revenue and other laws made to govern them."

It is alleged in the bill of complaint, that the bonds of the complainants, which the defendant adjudged to be insufficient and invalid, were each of them given pursuant to the provisions of this section of the Political Code; that no previous notice was given to the complainants of the alleged insufficiency or invalidity of said bond, or any of them, nor was any opportunity

given to the complainants, or any of them, to renew said bonds, or any of them; that the bonds were in fact according to the form which had been provided for many years last past by successive insurance commissioners of this State, and were in form and substance such as had been accepted and approved by the defendant himself since he had been insurance commissioner. A copy of the form of the bond furnished by each of the complainants is attached to the bills of complaint, from which it appears that the terms and conditions of the bonds are strictly in accordance with the requirements of the statute. It appears, further, that the defendant was appointed Insurance Commissioner March 3, 1897, and again on May 18, 1897. He qualified on May 19, 1897, under the last appointment and from the last date, if not before, he discharged the duties of Insurance Commissioner. From May 19, 1897, to January 29, 1898, without any objection whatever he treated complainant's bonds as valid and subsisting obligations, securing the State against any default on account of taxes and entitling the complainants to transact insurance business in this State. But, assuming that after investigation the defendant did discover that the securities of these bonds were not sufficient, or that the conditions of the bonds were not in accordance with the statute, was it not his duty as an officer of the State, charged with the administration of the laws regulating the business of insurance, to notify the complainants of the defect and require that the law should be observed? He was authorized to cause a renewal of insufficient and invalid bonds; but how could the complainants furnish sufficient and valid bonds by renewal, unless they were advised in what particular they were defective. The practical difficulties arising out of a refusal to give such a notice is well illustrated by the proceedings which took place before the Commissioner after he made his order of January 29, 1898, declaring the bonds insufficient and invalid. He was asked by the complainants in what respect the bonds were insufficient and invalid, and he refused to reply other than to refer to the order he had made. He was asked if the bonds were defective in form, or whether he claimed the sureties were insolvent or insufficient in

point of financial ability. He was also asked to furnish the form of a bond, or specify the terms of a bond, that would be satisfactory, but to all these inquiries he gave no further information than to refer to the terms of his order. It appears, however, that the defendant did, as Insurance Commissioner, on the 1st day of February, 1898, accept from the Continental Insurance Company of New York a bond in the identical form of the bonds adjudged to be insufficient and invalid on January 29, 1898, and, on the 2nd day of February, 1898, he accepted the American Surety Company of New York as a surety on the bond of the United States Fidelity and Guarantee Company of Baltimore. The complainants acting upon the supposition that bonds in the form and with the surety of the bonds which the Commissioner had accepted would also be accepted from them, prepared renewal bonds in such form and with such surety, and, on February 3rd, 1898, deposited them with the defendant as Insurance Commissioner. On the 7th day of February, 1898, the defendant made an order adjudging and determining that each and every one of these renewal bonds were invalid and insufficient and declined to approve or file the same. The order is preceded with a written opinion in which the Commissioner states his objections to these renewal bonds. These objections are, in substance, as follows:

1. It is objected that each of the companies executing the bonds is a member of the organization or association known as the Board of Underwriters of the Pacific; that the purpose and effect of this association is to create a monopoly of the fire insurance business in this State, which, in the opinion of the Commissioner, is unlawful and against public policy and the interests of the State, and that no foreign corporation can come into the State and enter into such an agreement, become a member of such association and lawfully continue to transact business in this State;

2. It is objected, against the bonds of the thirty-four foreign insurance companies, that the whole of the capital stock of such companies had not been paid up. Section 15 of Article XII of the Constitution of this State provides that "No corporation organized outside the limits of this State shall be allowed to transact business within this State on more favorable

conditions than are prescribed by law to similar corporations organized under the laws of this State." And section 424 of the Civil Code of the State provides that "The entire capital stock of every fire or marine insurance corporation must be paid up in cash within twelve months from the filing of the articles of incorporation, and no policy of insurance must be issued or risk taken until twenty-five per cent of the whole capital stock is paid up." The Commissioner holds, under these constitutional and statutory provisions, that no foreign corporation organized for more than one year is entitled to transact business in this State unless its entire subscribed capital stock has been paid up;

3. It is objected that the consent of the stockholders of the foreign corporations has not been obtained for their individual and personal liability for the debts and liabilities of the corporations as provided in section 322 of the Civil Code of the State. That section provides: "Each stockholder of a corporation is individually and personally liable for such proportion of its debts and liabilities as the amount of stock or shares owned by him bears to the whole of the subscribed capital stock or shares of the corporation, and for a like proportion only of each debt or claim against the corporation. . . . The liability of each stockholder of a corporation formed under the laws of any other State or territory of the United States, or of any foreign country, and doing business within this State, shall be the same as the liability of a stockholder of a corporation created under the constitution and laws of this State."

4. It is objected that complainants do not maintain an office or place in this State for the transaction of their business where transfers of stock can be made and in which shall be kept, for inspection by every person having an interest therein and legislative committees, books in which shall be recorded the amount of capital stock subscribed, and by whom, the names of the owners of the stock and the amounts owned by them respectively, the amounts of stock paid in and by whom, the transfers of stock, the amount of their assets and liabilities, and the names and places of their officers as provided in section 14, Article XII of the Constitution of the State. That section provides: "Every corporation other than religious, education-

al, or benevolent, organized or doing business in this State, shall have and maintain an office or place in this State for the transaction of its business, where transfers of stock shall be made, and in which shall be kept, for inspection by every person having an interest therein, and legislative committees, books in which shall be recorded the amount of capital stock subscribed, and by whom; the names of the owners of its stock, and the amounts owned by them respectively; the amount of stock paid in, and by whom; the transfers of stock; the amount of its assets and liabilities, and the names and place of residence of its officers."

5. It is alleged that, in certain States of the Union, the certificates of authority or license to transact insurance business in such States are of annual duration; that section 622 of the Political Code of California provides that: "When by the laws of any other State or country, any taxes, fines, penalties, licenses, fees, deposits of money, or of securities, or other obligations, or prohibitions are imposed on insurance companies of this State, doing business in such other State or county, or upon their agents therein, in excess of such taxes, fines, penalties, licenses, fees, deposits of securities, or other obligations or prohibitions, imposed upon insurance companies of such other State or country, so long as such laws continue in force, the same obligations and prohibitions of whatsoever kind must be imposed upon insurance companies of such other State or country doing business in this State . . ."; that the effect of this retaliatory law upon the insurance companies from such States as provide for an annual certificate, is to limit the certificate of authority issued to them under the law of the State to one year. It is accordingly objected that all such companies who have not procured renewed certificates within one year are transacting business in this State contrary to law.

The Commissioner concludes his opinion with the statement that "There are many other objections founded upon the laws of this State which I believe to be sufficient to justify me in withholding approval from these bonds, and in denying the applications to file the same. I have carefully examined the said bonds, and the manner of their execution, and, with the exception of those furnished by the

Home of New York, and Phoenix of Hartford, I believe them to be insufficient in form and substance; and as to the two excepted, while not open to all the objections to which the others are subject, I am not satisfied as to their execution." The Commissioner thereupon adjudged and determined that each and every of said bonds was "invalid and insufficient."

We have, in these objections, the opinion of the Commissioner concerning the renewal bonds, but he says nothing whatever about the original bonds, the sufficiency and validity of which are the essential questions involved in this controversy. It was assumed, however, upon the argument that the objections of the Commissioner to the renewal bonds were also applicable to the original bonds, and they will be so considered.

With respect to the first objection, it is sufficient to repeat, what has been said before, that the question raised is immaterial. It is a fact, however, that the question, whether the Board of Fire Underwriters of the Pacific is an unlawful association or its purpose illegal, was before this Court in *Continental Ins. Co. v. Board of Fire Underwriters of the Pacific*, 67 Fed. R. 310. The subject was there discussed by Judge McKenna (now Mr. Justice McKenna of the Supreme Court), with great care, and the authorities relating to unlawful combinations elaborately reviewed. The learned judge arrived at the conclusion that the association was lawful and its purpose legal.

With respect to the other objections, it will not be necessary in these proceedings to ascertain to what extent the complainants in the transaction of insurance business in this State are subject to the constitutional and statutory provisions upon which the objections are based. The scope of the Commissioner's power to declare bonds insufficient and invalid must be determined on other grounds.

It will be observed that no objection is made by the defendant to the sufficiency of the sureties on any of these bonds, and, with the exception of the general objection that the Commissioner believes the bonds "to be insufficient in form and substance," no objection is made to their form. He points out no defect in the terms of any of the bonds and does not claim that any of the conditions required by the statute have been omitted there-

from. The objections he has made, and which appear to have been prepared with some degree of care, are directed to matters that in no way affected the sufficiency or validity of the bonds under which the complainants were transacting insurance business in this State on the 29th day of January, 1898. The claim made on behalf of the defendant, that the statute clothes the insurance commissioner with a discretionary power in determining the sufficiency and validity of the bonds furnished by insurance companies, and that, in the exercise of this discretion, his acts cannot be reviewed by the courts is not controverted by the complainants. They admit that if the solvency of the sureties to these bonds was disputed and the Commissioner should, in good faith, institute an inquiry to determine that fact, and, upon the evidence, should adjudge that the bonds were not sufficient in point of financial ability to secure the State in the full principal sum of the bond, the judgment of the Commissioner would be final and not subject to review by the courts. It may be admitted, further, that if the conditions of these bonds were such that they did not conform to the requirements of the statute, the judgment of the Commissioner acting in good faith upon the question of their validity would be final and not subject to review by the courts. But here we have the question whether the Commissioner has the power to adjudge that the bonds of the insurance companies are insufficient and invalid for other and different reasons and because, in his opinion, the companies have associated themselves together in an unlawful combination, or have not complied with some law of the State. These bonds contain the condition that the insurance company will "conform to all the provisions of the revenue and other laws made to govern them." Is it possible that, upon the breach of this condition, and for that reason, the Commissioner has the power to declare these bonds invalid? Manifestly not. The validity of the bonds is the security which the State has for the enforcement of the law. But it may be said that the action of the Commissioner had reference to the future and not to the past; that, having discovered that the insurance companies were not complying with the law, he proposed to terminate their disobedience by canceling their bonds

and, by refusing to approve and file renewal bonds, compel them to leave the State. This is, in effect, exercising the power of revoking their certificates of authority to transact business in this State. If the Commissioner has this power under such conditions, it must be found in the law in plain and explicit terms. It ought not to be matter of inference or the subject of mere conjecture. It should be positive and distinct and in accordance with the manifest intent and purpose of the Legislature. The Commissioner has the power to revoke certificates of authority under which insurance companies are entitled to transact business in this State. This power is clearly and distinctly given in the statute, but the conditions under which it may be exercised are also clearly stated. By section 595 of the Political Code of California, it is provided that the Commissioner may revoke the certificate of any foreign corporation or company authorizing it to do business in this State whenever "such corporation or company shall transfer or cause to be transferred an action to the United States circuit court." By section 600 of the same Code, it is provided that "Whenever the Commissioner ascertains that any person engaged in the insurance business is insolvent within the meaning of this chapter, he must revoke the certificate granted, and send by mail to such person, addressed to him at his principal place of business, or deliver to him personally, notice of such revocation," etc. These are the only conditions under which the Commissioner is authorized by the laws of the State to revoke a certificate, and, by a well-known rule of interpretation, the authority cannot be extended to other conditions or circumstances not mentioned in the statute. Sutherland on Statutory Construction sec. 392.

We find, then, that while the power of the Commissioner, in dealing with the bonds of the insurance companies and with the certificate of authority granted them to transact business in the State, is clearly defined, it is nevertheless limited in its scope and does not include the authority to declare complainants' bonds insufficient and invalid for any of the reasons disclosed in the defendant's affidavit. How, then, can it be said that he was acting within his jurisdiction in the exercise of a legal discretion? It is true that in section 595 of the Political

Code, after enumerating certain duties of the Commissioner, he is required to "perform all other duties imposed upon him by the laws regulating the business of insurance in this State, and enforce the execution of such laws." But this provision certainly does not enlarge his jurisdiction or confer upon him any power or authority to perform a duty not specified or to execute a purpose not sanctioned by the law. *U. S. v. Doherty*, 27 Fed. R. 730, 733; *U. S. v. Kirby*, 7 Wall. 482, 486. "Notwithstanding the words of the Commission give authority to the Commissioners to do according to their discretion, yet their proceedings ought to be limited and bound with the rule of reason and law." *Rooke's Case*, 3 Coke, 99.

The duty the Commissioner is required to perform in enforcing the execution of the laws against domestic insurance companies is clearly pointed out in section 601 of the Political Code, where it is provided: "In case any person, upon the requisition of the Commissioner, fails to make up the deficiency of the capital in accordance with the requirements of this chapter, or to comply in all respects with the laws of this state, the Commissioner must communicate the fact to the attorney-general, who must, within twenty days after receiving such communication, commence an action in the name of the people of this State in the superior court of the county where the person in question is located or has his principal office, against such person, and apply for an order requiring cause to be shown why the business should not be closed," etc. If the only purpose of this section is to close up the business of the delinquent corporation and not to distribute its effects to the stockholders and creditors, as determined in *State I. & I. Co. v. San Francisco*, 101 Cal. 135, 146, it is not perceived why the section is not applicable to all insurance companies alike, whether foreign or domestic. If a foreign corporation fails to comply with the laws of the State, is there any reason why that fact should not be determined by the Court upon the suit of the attorney-general as in the case of a domestic corporation, when the remedy for the delinquency is to compel the corporation to cease doing business in the State? There is certainly no reason in the general administration of the law, and none has been dis-

closed in any of the facts of the present case.

The conclusion to be drawn from these various provisions of the statute is that the duties of the insurance commissioner have been carefully prescribed and regulated.

If a foreign insurance corporation removes an action from the State to the United States Court or becomes insolvent, the Commissioner is required to revoke its certificate of authority to transact business in the State.

If the bond of such a corporation is discovered to be invalid by reason of the conditions being defective in form or substance, or if it be found that the sureties are insufficient in a financial point of view to secure to the State the penal sum of the bond, then it is the duty of the Commissioner to cause the bond to be renewed. If the Commissioner discovers that such a corporation has failed to comply with the laws of the State in any respect, and no specific method of procedure has been prescribed by the statute, then the Commissioner is required to communicate the fact to the Attorney General of the State, who may proceed on the bond, or take such other action as may be appropriate under the circumstances. What can be more clear than the fact that it is not necessary to enlarge the Commissioner's powers in one direction to secure an enforcement of the law in another.

In *Commonwealth ex rel. Century Co. v. City of Philadelphia*, 35 Atlantic Rep., 195, a contract had been made by the Board of Education of the City of Philadelphia for a matter within their department and they had issued a warrant for payment of the claim thereunder, and an alternative writ of mandamus had issued to compel the City Controller to sign a warrant for the payment of the claim. The Controller answered that it did not appear that the contract was made in accordance with an act governing such contracts; that the binding of the books, which were the subject of the contract, was so unsuitable as to render them unserviceable for public use, and that the relator was allowing a very large commission to the agent who secured the contract. The judgment of the Court of Common Pleas of Philadelphia was in favor of the defendants. The Supreme Court, in passing upon the sufficiency of this answer on appeal, said: "The answer appears to be based upon a very exaggerated and er-

roneous idea of the controller's powers and authority, and the claim that he is 'not subject to the order or direction of the court' is not to be tolerated. The duties of the controller, as was held in *Com. v. George*, 148 Pa. St. 463, 24 Atl. 59, 61, are partly ministerial and partly discretionary; and, while the courts will not review his discretion, exercised in a proper case, yet he is not above the law, and his discretion is not arbitrary, but legal. When, therefore, he is called upon by the courts, the facts must be made to appear sufficiently to show that they bring the case within his discretion, and that it was exercised in obedience to law. On this subject the courts are the final authority, and their jurisdiction cannot be ousted by simply putting forth the assertion of discretionary power, without showing that the matter was properly within such discretion." . . . "The only contest comes from the controller, and his grounds of objection, set out at length in his answer, show that none of them were founded on matters within his discretion. Had any of them been valid, the court would not review his decision in regard to the facts; but when, admitting all the facts, none of the reasons are sufficient, the courts and not the official must determine the rights of the parties. This is the rule, even in cases of discretion vested in strictly judicial tribunals. (In *re Johnson's License*, 156 Pa. St. 322, 26 Atl. 1066; *Gross' License*, 161 Pa. St. 344, 29 Atl. 25; *Geimas' License*, 169 Pa. St. 43, 32 Atl. 88); and *a fortiori* must it be the rule where the discretion, though ample and exclusive, is reposed in a tribunal or an official who is only quasi judicial within prescribed limits." The judgment of the lower court was accordingly reversed and mandamus directed to be issued.

Applying the doctrine of this case to the case at bar, and it appears to dispose of all the objections which the defendant has raised to the present proceedings. The duty of the commissioner is partly ministerial and partly discretionary. With respect to the performance of those duties in which he exercises his discretion in good faith, the courts will not review his judgment or restrain his action, but the discretion he may thus exercise must be a legal discretion and within the limitations of his authority. He cannot act arbitrarily or capriciously, or in disregard of the established rules of

law, and when he is called upon by the Court to answer the charge that his conduct is illegal, oppressive and injurious, he should be able to present such facts as will clearly show that he is acting under authority and within the jurisdiction of his office. It is true the defendant alleges in his affidavit that, in rejecting the bonds offered and tendered by the complainants and in holding them to be insufficient and invalid, he did so after an examination and investigation into the matter and in the exercise of the discretion conferred upon him by law, but, from other facts alleged by the complainants and not denied by the defendant, this allegation appears to be in the nature of an opinion which the defendant himself formed as to the character of his own acts in the premises. That there have been evils in the administration of the insurance law may be admitted; that the defendant believes it to be his duty to make the office of Commissioner efficient and of substantial benefit to the public may also be conceded; but it does not follow that he may adopt any course or pursue any method that will accomplish the purpose he has in view. The law furnishes the guide and regulates the performance of official conduct and will be construed as conferring those powers only which are expressly imposed or necessarily implied. *Mechem on Public Officers*, sec. 511.

A temporary injunction will issue in accordance with this opinion.

The Coast Review Extra.

The *Coast Review* was permitted to put Judge Morrow's decision in type and print it as an extra, as originally prepared, to be followed by the official copy, after the usual revision and additions. The preliminary "copy" was placed in the hands of a law-book publishing house, and two linotype machines had the whole fifteen pages in type by five o'clock in the evening. Proofs were placed in the hands of the lawyers, and on the following day the important document appeared as a *Coast Review Extra* and was distributed to fire underwriters in San Francisco and the East. With all this haste, there were only two or three typographical errors, such as, "five" for "fire" and "officers" for "offices."

The *Extra* as printed was substantially the same as the revised copy appearing in this number of the *Coast Review*. There have been a citation or

two added, together with the opinion given orally on the morning of June 27. This latter edition will be found in the first three paragraphs of page 15 of the official copy and of page 375 of this book.

A good deal of hard and rapid work was required to get the *Extra* out at an early hour, and we are sure that the underwriters of San Francisco give the *Coast Review* due credit. The fact that the *Extra* was conspicuously free from errors, and that subsequent changes were additions and not corrections, adds not a little to the value of the work.

Would It be Better to Elect Them?

It is a noteworthy fact that the blackmailing or "raiding" insurance commissioners of this country are appointed by governors, not elected by the people. Whether this fact has any special significance may be doubted as long as the elected commissioners are so few in proportion. As the governors who appoint these scoundrels to office are themselves elected by the people, it would be expecting too much to hope that the people in convention or at the polls would be less deceived in the selection of a commissioner than in the selection of the governor who appoints him, or than the governor himself might be deceived. But it is worth while to discuss the matter, and reach some conclusion. It is not a difficult task to make the office an elective one, and there could not be any serious objection to the experiment in a State where the political balance might be swayed by the votes of insurance men and their friends. Some of our exchanges may be able to throw a little light on this matter by printing the record of some elected commissioner. The fable of the fish which leaped from the frying-pan into the fire may have some application.

YELLOW FEVER (not the journalistic kind) is feared overmuch in this war. We recall the fact that in the civil war the sanitary measures of the Northern army were so thorough that yellow fever was stamped out. There were no deaths among the soldiers from yellow fever.

In assessment life insurance "all insurance experience proves that the rate (or premium) must be increased to the cost at the attained age of each member in order to avoid inequity and secure solvency," says Insurance Commissioner Betts of Connecticut.

Life Insurance Business in Oregon in 1897.

Name of Company.	Insurance in Force.		Losses Paid	Lapsed in	Gain—Loss
	Dec. 31—'96.	Dec. 31—'97.	in 1897.	1897.	in 1897.
Etna	\$ 474,053	\$ 472,676	\$ 20,000	\$ 37,500	\$ -1,377
Connecticut Mutual	297,000	358,000	16,654	37,346	61,000
Equitable	3,220,713	3,575,380	14,000	538,708	354,667
Home, New York	230,626	187,066	None	36,000	-33,560
Mutual Benefit	605,190	540,039	None	182,555	-65,151
Manhattan	726,607	728,392	1,300	306,286	1,785
Massachusetts Mutual	955,297	1,131,304	3,000	192,915	176,007
Mutual Life	2,260,827	2,143,200	27,508	413,289	-117,627
New York Life	3,653,632	3,600,832	161,525	437,982	-52,800
Northwestern	2,726,225	2,790,757	27,800	255,249	64,532
Penn Mutual	374,428	633,178	2,000	14,500	258,750
Pacific Mutual	824,114	742,881	12,370	124,856	-81,233
Provident	129,820	148,852	None	58,820	19,032
Travelers	86,997	5,997	None	81,000	-42,000
Union Mutual	555,190	588,929	9,061	40,123	33,739
Union Central	77,078	83,578	None	16,500	6,500
Washington	132,402	117,225	2,250	32,154	-15,177

Sign—Indicates a loss of insurance in force.

LIFE AND CASUALTY NOTES.

LIABILITY managers are conferring in New York.

THE death of Sec. Ellis of the Travelers of Hartford is announced.

THE FIDELITY & CASUALTY will pay the new war stamp tax.

THE mortality rate of the idle is higher than that of those who work.

THE PROVIDENT SAVINGS LIFE has divided Iowa into three general agency fields.

LIFE MEN are warned against one Capt. T. R. L. Keith, who is about 55 and 5ft. 10.

THE FIDELITY & CASUALTY paid the largest surety loss ever incurred—amounting to \$113,000.

THE Flour City Life, New York assessment, paid altogether 45 per cent. of death claims due when it went into a receiver's hands.

AMONG the passengers on the ill-fated *La Bourgogne* were the wife and daughter of H. H. Knowles, inspector of agencies for the Equitable Life at Chicago.

THE average war mortality is less than 5 per cent. annually—on land. On sea—well, the Americans have had two men killed and one has since died from his wounds.

A BIT of fiction, entitled "One Hundred Thousand Dollars Life Insurance," is reported forthcoming in paper covers. It is a story of a great crime, not of a great rebate.

THE FIDELITY & CASUALTY has written the liability insurance of Swift & Co. of Chicago and Kansas City—the largest liability premium in the West, according to *Insurance Magazine*.

THE test of the legality of the recent excessive assessments of the Mutual Reserve Fund failed in Washington, D. C., the court holding there was no jurisdiction. And another increase in assessments must follow.

DISSATISFIED Western policyholders of the Northwestern Life Assurance Co. of Chicago have effected an organization and will investigate the affairs of the association. They'd better pay or draw out and get into a regular company.

ONLY \$1,563 was realized from the assets of the defunct Star Accident of Chicago. It had a lot of policyholders in southern California. The *Coast Review* repeatedly warned the public against it—just as we warn the public against the Mutual Reserve Fund.

HOLDERS of Bay State and Massachusetts Benefit (both defunct) claims under the disability clause in their policies have been told by the supreme court that their claims are invalid. The statute of 1890 repealed any authority to grant sickness insurance.

EMPLOYERS' liability risks are being insured at Lloyd's, London, at one-third rate, the assured to insure himself to the extent of two-thirds, and the underwriters to pay all further claims in full. There is a new employers' liability law in Great Britain.

UNLOVED of the gods and mad indeed must be the Royal Arcanum, which last month refused to adopt graded rates. Assessments are to be increased to twelve annually, equaling twenty-one times the old rate for age of entry. The order is doomed, like so many more like it.

The phantom International Indemnity Co. of San Francisco blows its bugle gently to this effect: "Members of the California militia volunteering will be charged nothing extra." This sounds brave enough until it be learned that none of the militiamen was "insured" in the International catch-penny.

A BILL has been introduced at Washington, authorizing the President to appoint a board of "life insurance commissioners at a salary of \$4,000 a year," to formulate plans and estimate cost for government life and accident insurance for the military and naval forces, such indemnity for disability and death to be in lieu of all claims for pensions. Thirty thousand is to be appropriated for the commission. Such insurance would be the first of the kind in the world.

AN attorney in Philadelphia employed agents or "runners" to hunt up claims for alleged or real injuries on street car lines insured in liability companies. These claims he agreed to prosecute for half the money collected. In one case it was proved that he paid over much less than the amount collected. The Law Association of Philadelphia called the attention of the court to this attorney and he was promptly disbarred. They order these things better in Philadelphia than in San Francisco.

OUR Ohio contemporary tells of an agent, not far from Cincinnati, of one of the large New York life companies, whose commission is 75 per cent. and \$3 per \$1,000 bonus, who has been working up a scheme to insure enlisted men for the army by paying most of the premium on the insurance, on condition that the insured write a strong letter to the wife or other beneficiary stating the fact and binding the beneficiary, so far as the urgent request operates, to pay to the agent half the proceeds of the policy in case it becomes a claim.

THE MUTUAL LIFE of New York was unsuccessfully sued in Great Britain for \$50,000 alleged due on the life of a "mysteriously disappeared" man. The plaintiff's theory was that his brother was thrown out of a row-boat in which he was enjoying a holiday, and

drowned, and that the body had been carried out to sea by an undertow. It was shown that there were no under-currents; that the premium was \$1,500 a year, which was more than his income. There was no witness of the alleged accident except the brother, the plaintiff. The jury, after ten minutes, brought in a verdict for defendant company.

THE Michigan Mutual Life, on the petition of its agents, will allow agents to pay the war revenue tax. The Royal Union Life rather imprudently circularizes that it will make the insured pay the tax. Other companies will try to make the insured pay it. The "consumer" must pay this tax anyway, but it might be better for the companies to "sugar-coat" this fact by paying it themselves and charging it to the dividend or surplus account. The expenses of the war must be paid, and the sooner payment begins the more just will be the dealings of this generation with the generation to follow. Life insurance should not have been taxed at all, but the law taxes it, and the companies will loyally respond and necessarily, directly or indirectly, collect the tax from the policyholders.

THE International Association of Mutual Accident Underwriters held its eleventh annual meeting in Boston last month. Secretary Hooper read his report, showing that the delegates present represented companies having 144,000 policyholders and outstanding policies representing \$660,658,248. There was paid last year for personal accidents, by all the accident companies, \$4,473,771. The combined experience shows that the commercial traveler is the best risk. Statistics of 210,381 insured commercial travelers show for one year 24 accidental deaths and 7,493 accidents. The experience among working farmers showed a percentage of 24.3, a record almost as bad as among brakemen. The general opinion favored autopsies to determine whether accident or disease is the cause of death, when there is any doubt.

It is a curious fact that the Northwestern Mutual Life, of Milwaukee, does not insure brewers nor any risk connected with breweries, though not objecting particularly to mere girth. The fact is curious merely because the company has its headquarters in a town which is also the headquarters of some of the largest brewery industries in the country. It is stated that nearly all brewery employes, including the clerical force, drink

from ten to twenty glasses of beer a day, there usually being no limit to their privileges in this direction. Excessive beer-drinking is certainly injurious, but the average man who must pay for his beer can usually be relied on to keep within wholesome limits, even in the hot East. In San Francisco, we are told, the customary summer tipple is something warranted to warm the extremities.

Valued Policy Laws Increase Fire Losses.

Laws compelling the payment of the face of the policy in the event of a total loss, regardless of the actual loss, encourage incendiarism. Wherever such laws (termed "valued policy") have been long in force, fires have increased in number, and the ratio of losses paid to premiums received has likewise increased from year to year. The result must be, in time, a corresponding increase in rates. Property-owners must pay more for insurance in order that the fire underwriters may pay for incendiary fires caused by valued policy laws. Statistics prove this, beyond contention. In three States having "valued policy" laws, the loss experience in several years before and after such legislation was as follows:

States.	Years.	Losses.
Wisconsin	1870 to '77, before val. pol. law	52.03
	1878 to '85, after " " "	67.59
Ohio	1871 to '80, before " " "	39.04
	1881 to '90, after " " "	58.27
Nebraska	1885 to '89, before " " "	34.62
	1890 to '94, after " " "	53.48

Others Paid, but the Fidelity Mutual Life Resists.

The case of the executors of the estate of William R. Percy against the Fidelity Mutual Life Association of Philadelphia, (says the *Baltimore Underwriter*) has been on trial in the United States circuit court. It will be remembered that on the night of May 26th, 1897, Percy was drowned in the Chesapeake & Ohio Canal, on his farm. It is claimed that his death was caused by the horse he was riding throwing him into the canal, and the coroner's jury found that it was accidental. At the time of his death he had policies aggregating \$215,000 on his life, all of which, it is said, have been paid by the companies except the one on which the suit was brought. It is contended by the defendant company that Mr. Percy made false statements in his application for insurance, and that, being hopelessly insolvent, he conceived the idea of taking out a large life insurance and then

committing suicide. His object, it is claimed, was to realize enough to pay his debts and make good the trust estates in which he was short. These allegations are denied by Percy's relatives. Percy was fifty-five years old.

Portland Jots.

The Northwest has recently been honored by a visit from Manager W. H. Lowden. There is no more popular man throughout the Northwest than Mr. Lowden. It is a genuine pleasure to receive visits from him.

The genial face of Manager Bertheau has become familiar to the special agency contingent of the Northwest. He is looked upon as one of us, having done a great deal of hard work for his company in this field during the past year. Recently he was sojourning at Seattle.

It is not an unusual sight now to see Northwest specials going about with lightning rods up their backs. There has been so many promotions out of their ranks during the past year, that those who are left are anxiously awaiting their turn.

The retirement of Captain Magill from the management of the Pacific Coast department of the Phoenix and Home has caused a great many changes, the Northwest being highly honored in that most of the promotions have come from "this neck of the woods."

Albert F. Gartner, who for sixteen years has had control of the Phoenix and Home interests in this territory, passed through Portland a few days ago en route to Montana, whither he has gone in the interests of the Home.

One of the most important changes that has taken place in Portland for a long time was that made by Assistant Manager Hewitt in transferring the Phoenix from the Diamond agency to that of Jackson & Grindestaff. Another lightning change, and one that has created considerable talk on the street, was the appointment of Messrs. Puffer, Dooly & Co. as district agents by the Home Insurance Company of New York.

One of the Brown brothers of Messrs. Brown & Sons, has been assisting Special Agent Whitley in his field.

G. W. Wensley, United States manager of the Manchester and president of the American of New York; C. H. Post, United States manager of the Caledonian, and Col. F. Har-

ris, president of the American of New Jersey, after visiting San Francisco and appointing our old-time friend, Tommie Conroy, as assistant to Mr. Edwards, returned East by way of Portland. They are exceedingly pleasant gentlemen to meet.

ALARM BOX.

Union Assurance Society of London.

LARGE GAINS LAST YEAR—GROSS ASSETS NOW OVER SEVENTEEN MILLIONS—INCREASED SURPLUS AND PREMIUMS.

The annual statement of the Union Assurance Society of London, which is 184 years old, presents the usual evidence of strength and prosperity. The gross assets advanced from \$15,364,560 to \$17,049,955. Gains were made in all departments. To sum it up, a strong company is stronger than ever, as the result of the business of the past year. It has increased its assets and its surplus.

The Union Assurance Society's fire department presents the following handsome totals: Assets, \$6,123,398; net surplus over capital and all liabilities, \$1,390,593; surplus as to policyholders, \$2,290,593. There is nothing wrong with those figures. They are eloquent of security. The fire premium receipts were \$2,133,296. To the fire assets \$744,000 was added, and large gains were made in surplus and premiums.

The United States department also makes a fine showing, with \$1,535,756 assets, a gain of over \$324,000. The net surplus is \$754,657, a gain of over \$100,000. The American premium receipts passed the million point, with a gain of nearly \$161,000. The loss ratio was the exceedingly moderate one of 39.8 per cent.

The Pacific Coast department is in charge of Catton, Bell & Co., general agents, who give excellent account of their stewardship, year after year.

President Kremer of the German-American.

The board of directors of the German-American of New York have elected William N. Kremer president, succeeding the late E. L. Allen. Mr. Kremer began insurance work as an agent. In 1884 he was general agent for the Western department. In 1896 he was

elected secretary. Chas. G. Smith, a New England special, succeeds Mr. Kremer as secretary.

County Fire Mutuals in California.

Three or four county mutuals have been organized under the law enacted a year and a half ago by the legislature of California, and it is probable that before disaster overtakes the first ventures several more will bob up. The ease with which one of these county mutuals can be organized is an invitation to men looking for a salaried position and a light occupation. So far, according to our information, only men of little or no experience in fire underwriting have identified themselves with these little mutuals. Their future can easily be predicted.

One of our prominent underwriters was asked, the other day, what he thought of these mutuals and their effect on the business. His reply was suggestive. "They are welcome to all my farm business," he said. A little study of the *Coast Review* annual California and San Francisco tables, together with an inspection of our monthly loss reports, will convince anybody that the country business has never been profitable in California. Losses have been over 60 per cent. of the premiums. It is just such business that under the law the county mutuals are restricted to.

There appears to be surprising ignorance of the law and its embarrassing limitations designed to prevent the assumption of a conflagration hazard. A correspondent of the *Fresno Republican*, professing to write from San Francisco, seriously urges the organization of a county mutual to write business in the city of Fresno, which has much more than the 4,500 population to which such a mutual is restricted by law. If we wished the county mutual plan any ill, we could not ask for anything more likely to injure it quickest than the organization of a mutual in Fresno county, where the insurance companies have been peculiarly unfortunate.

The existence and seeming success of small mutuals in the Eastern States has

STATEMENT OF THE

Union Assurance Society

Of London, England,

ON THE 31st DAY OF DECEMBER, 1897.

Capital, - - - \$2,250,000

Amount of Capital Stock, Paid up in Cash, - \$900,000

ASSETS.

Real Estate owned by Company	\$ 760,117 10
Loans on Bonds and Mortgages	5,117,792 18
Cash Market Value of all Stocks and Bonds owned by Company	8,172,431 27
Amount of Loan secured by pledge of Bonds, Stocks, and other marketable securities as collateral	233,719 60
Cash in Company's Office	274,598 97
Cash in Banks	180,448 70
Interest due and accrued on all Stocks and Loans	673,398 83
Interest due and accrued on Bonds and Mortgages	714,401 56
Premiums in due Course of Collection	
All other Assets of the Company	

TOTAL ASSETS \$17,049,955 00

LIABILITIES.

Losses Unpaid	\$ 346,400 42
Gross Premiums on Fire Risks running one year or less; re-insurance 50 per cent	840,530 00
Gross Premiums on Fire Risks running more than one year; re-insurance pro rata	155,125 00
	\$13,279,546 31

Gross Dues Unpaid	\$101,476 25
Salaries, Rents, Taxes	16,738 81
All other Liabilities	19,541 77
CAPITAL	900,000 00

SURPLUS OR GUARANTEE FEES \$1,390,593 40

TOTAL LIABILITIES \$17,049,955 00

INCOME.

Net Cash actually received for Fire premiums and Life	\$2,133,296 37
Received for interest on Bonds and Mortgages	\$69,964 04
Received for interest and dividends on Bonds, Stocks, Loans, and from all other sources	85,144 10
Received for Rents	20,513 15
Received from all other sources	1,572 31
TOTAL INCOME	\$2,300,490 27

EXPENDITURES.

Net amount paid for Fire Losses	\$1,138,516 73
Dividends to Stockholders	203,846 25
Paid or allowed for Commission or Brokerage	428,947 89
Paid for Salaries, Fees, and other charges for officers, clerks, etc.	345,107 47

TOTAL EXPENDITURES \$2,115,818 34

LEDGER BALANCE \$4,719,746 57

CATTON, BELL & CO., General Agents,
408 California Street, SAN FRANCISCO.

misled a number of California farmers, who have not been told all the facts. Hundreds of these mutuels have failed in the past few years in the East, where the conditions are much more favorable than in this State. The survivors, the ages of which are quoted by the advocates of county mutuels, are generally town mutuels writing a mere handful of risks in old settled communities, which may have been merely fortunate. The reader can probably name townships where a township mutual, if honestly conducted, might have survived many years; but, on the other hand, he can probably name other townships where the fires would have quickly destroyed the township mutual and left farmers with unpaid claims.

We cannot appreciate any argument for a farmers' county mutual that would not apply equally to a farmers' county store or county repair shop or factory. Experiments in co-operative undertakings generally have been failures, and co-operative fire associations have not been exceptions. We shall return to this subject in a future number, and give names and figures and failures, which must convince any reasonable person that the indemnity of a fire mutual of any kind or size is too poor for prudent people. Meantime we content ourselves with this quotation from the sixteenth annual report of the Pennsylvania insurance department:

"Experience shows that when a mutual is unable to collect enough money by assessment to pay the losses, the confidence of its members is impaired to such a degree that no compulsory process is of much avail. Resistance becomes general on the part of policyholders because of excessive exactions resulting from bad management and the cost of enforced collections of small amounts . . . renders the net result in favor of creditors nothing, or hardly worth the effort expended."

Following the passage of the general assessment law of 1877, sixty-two assessment companies, as has already been said, were almost immediately organized. Every one of them has now departed, some going in infancy, some in childhood, while only two lived to be of much consequence, and both of these are

now having their bankrupt estates administered upon by order of the court. Their beneficiaries will receive perhaps twenty-five per cent. of their claims, while their old or feeble members, whom no company would now insure, are left desolate, all their fond hopes, that when life for them should cease something would be left to their dependents, being dashed to earth. Many of these people feel that they have been deceived—nay, robbed—without conscience. Some blame the companies' managers, while others, who look beyond the instruments to the system, hold the Commonwealth of Massachusetts responsible, because it set its seal of approval upon laws which authorized, under the name of *life insurance*, the easy organization of companies with such elements of weakness and uncertainty.—Massachusetts Ins. Report.

Employers Liability Business.

Eighteen years of the employers liability act sufficed to teach those companies which dealt most largely in the risks which it involved, some well-defined lessons with regard to its incidence, and the methods to be adopted with a view to neutralizing its effects. Those offices which learned the lessons thoroughly were enabled, after much experimenting and tribulation, to formulate a system under which employers might be protected from their liability under the act, with profitable results to their protectors. But it would be a mistake to imagine that all, or even a majority, of the companies interested, have ever been thus thoroughly educated. Of late years the tendency of all accident companies has been to add this arrow to the contents of their quivers, with the not infrequent result, it is to be feared, that the point has been turned upon themselves, with painful, if not disastrous, consequences. While one or two of the leading companies—and, in particular, the corporation with which the specialty originated—have been on solid ground for years, it is even yet far otherwise with the smaller fry, who in persevering despite of repeated failures, have shown courage worthy of more propitious results.

It has only very partially been recognized that insurance against the liability of employers, no matter under what statute it be defined, is a business *per se*. In its mode of working, it can hardly be said to have even a generic resemblance to any other branch of insurance. Hence it comes to pass that no amount of experience in fire, life, marine, or personal accident insurance is an adequate

preparation for those about to take the plunge. The early experience, even of the most successful employers' liability company, was necessarily tentative; and frequent re-adaptation was found necessary before an assured basis was discovered.—*The Review*, London.

Judge Morrow's Restraining Order.

IN THE CIRCUIT COURT OF THE UNITED STATES, OF THE NINTH CIRCUIT, IN AND FOR THE NORTHERN DISTRICT OF CALIFORNIA.—(IN EQUITY.)

Springfield Fire and Marine Insurance Company et al., Complainants, vs. Andrew J. Clunie, Insurance Commissioner of the State of California, Defendant. No. 12,567.

On the return of the order to show cause made by me in the above entitled suit on the 18th day of February, 1898, after hearing the proofs and the attorneys for the complainants and the defendant herein,

It is hereby ordered, that pending this suit and until the further order of this court and on the complainants executing and filing a written undertaking with sufficient sureties to the effect that they will pay to the defendant such damages not exceeding the sum of one thousand dollars, as he may sustain by reason of the injunction if the court shall finally decide that the complainants are not entitled thereto, the action of the defendant in declaring the bonds, or any of them referred to in the bill of complaint, herein, heretofore given by the complainants pursuant to the provisions of section 623 of the Political Code of the State of California, to be insufficient and invalid, being illegal and void, the defendant herein, his deputies, agents, attorneys, solicitors and servants be and they are hereby enjoined and restrained from declaring or determining or asserting said bonds, or any of them, to be insufficient or invalid by reason of any of the matters or things alleged or set up by said complainants or by defendant upon the hearing of the said order to show cause, and from declaring

or determining or asserting that the renewal bonds or any of them referred to in said bill heretofore given by the complainants pursuant to said section 623 of said Political Code are insufficient or invalid by reason of any of the matters or things alleged or set up by said complainants or by defendant upon the hearing of the said order to show cause.

And it is further ordered, that the defendant, his deputies, agents, attorneys, solicitors and servants be and they are hereby enjoined and restrained from revoking or canceling the certificates of authority, or any of them, to transact insurance business in said State, heretofore issued by the insurance commissioner of said State to complainants herein, and from instituting or prosecuting or causing to be instituted or prosecuted, or from inciting others to institute or prosecute any suits, actions or proceedings against the complainants, or any of them, or against their agents or brokers, by reason of any alleged failure on the part of the complainants or any of them to comply with the laws prior to the hearing of said order to show cause, or by reason of any asserted insufficiency or invalidity of said bonds, except such suits, actions or proceedings as may be instituted or prosecuted against the complainants or any of them by the attorney-general of said State in pursuance of the authority conferred upon him by the laws of said State.

It is further ordered, that the act of the legislature of said State of California, referred to in said bill of complaint as the "Act of 1885," being unconstitutional and void, the defendant, his deputies, agents, attorneys, solicitors and servants, and each of them, be and they are hereby enjoined and restrained from in any manner obstructing or interfering with said complainants, or any of them, or their agents or brokers in the transaction of the insurance business in said State, because or by reason of any non-compliance on the part of said complainants, or any of them, or their agents or brokers with said "Act of 1885," or from asserting or officially insisting on the validity thereof, or from in

any way attempting to enforce a compliance with said "Act of 1885."

It is further ordered, that said defendant, his deputies, agents, attorneys, solicitors and servants be and they are hereby enjoined and restrained from in any manner obstructing or interfering with said complainants or any of them, or their agents or brokers in the transaction of insurance business in said State of California, for or by reason of any alleged failure on the part of said complainants, or any of them, to comply with the laws of said State prior to the hearing of said order to show cause, for or by reason of anything set up or alleged by said complainants or by defendant on the hearing of said order, in any way other than by suits, actions or proceedings authorized by the attorney-general of said State.

WM. W. MORROW,

Dated July 8, 1898.

Circuit Judge.

Acknowledgements.

Ohio Report: W. S. Mathews, superintendent.

"Our Navy, as it Was and Is." Very interesting booklet, with the compliments of the Aetna Life Ins. Co. From John Paul Jones to Dewey. From the *Alfred*, with the first American flag, to the *Olympia* and the *Oregon*.

Part 3 of Conn. Ins. Report, on secret or fraternal societies: Frederick A. Betts, commissioner. "It is a disgrace that the laws permit such incompetent schemes," says Mr. Betts, not referring to burial fund or relief societies.

Indicator Life Chart: by F. H. Leavenworth Pub. Co., Detroit. This is a somewhat original or different chart. Five years' comparative figures, with many details, are given. At the finish are tables of amounts written and in force and paid by fifty-seven companies, for five years. Price 50c.

The Chronicle Fire Tables, abridged edition: price 25 cents. Chronicle Co., New York. American fire (property) losses for 1897 are totaled as 116 millions. California's loss is given as \$5,323,615, which is about right. Some of the statistics have a moist interest. Seventeen distilleries, 46 breweries and 25 wholesale and 913 retail liquor stores were burned last year. Other sample

risks burned are: Barns, stables and granaries, 11,811; churches, 735; carpenter shops, 187; dwellings, 33,033; groceries, 1,473; general merchandise stores, 1,753; hotels, 991; ice-houses, 256; laundries, 239; private offices, 1,192; saw and shingle mills, 376; school-houses, 380.

"How to Buy Life Insurance": by J. H. Lewis, Box 827, Denver. Price \$1.25 cloth. This book is well spoken of. Here is the author's definition of the natural premium contract: "Depositors could not be found who would put their money in a bank, agreeing to let the bank use their deposits to pay the notes falling due under a first series, where these first parties receiving their money had at no time paid their proper proportion into the common fund, and with the absolute certainty that if they each drew their \$1,000, it would cost the later ones \$2,000 to get it; and yet this is the natural premium contract." His definition of a term policy is one which "has no value except in case of death, and this must occur within the specified period for which the policy has been written." Mr. Lewis has crowded a lot of valuable information in his little book.

Natural Premium Life & Accident Chart: by Mutual Underwriter Co., Rochester, N. Y. Five years' comparative figures. Very useful. Life and accident men need this chart. Business and fraternal associations' statements are given. A page of "changes" contains the following receiverships for last year: Bankers' Alliance, California; Bay State Beneficiary, Mass.; Massachusetts Benefit Life Boston; Mass. National Life, Westfield; National Life Maturity, Washington, D. C.; American Masonic Accident, Minnesota; Continental Masonic Accident, Chicago; Star Accident, Chicago; International Fraternal Alliance, Baltimore; Royal Benefit Society, New York. A disgraceful list! Other failures are: International Progressive, Mansfield, O.; Masonic Mutual Benefit, Indiana; World Mutual Benefit, West Virginia; World Accident, Boston. And this is not all. Several associations reinsured in schemes which have since failed or are about to fail, to-wit: Council Bluffs Life, Iowa; National Capital Life, Washington, D. C.; Atlanta Accident, Georgia; Atlas Accident, Boston; Merchants & Travelers Accident, Syracuse.

ITEMS.—The Hartford Fire has reinsured the Queen City of Buffalo, a local \$40,000 premium company. London is to have a fire-boat.

It will be one hundred feet long and be able to throw 2,000 gallons a minute. In New York suburbs an allowance of $7\frac{1}{2}$ cents for the box system has been made; also an allowance of 10 cents for the box system when supplemented by thermostatic wiring.

Law Union & Crown Fire and Life Insurance Company.

NEARLY TWENTY-ONE MILLIONS OF ASSETS—AN OLD ENGLISH COMPANY WHICH HAS RECENTLY BEGUN BUSINESS IN THIS FIELD.

The Law Union & Crown Fire and Life Insurance Company of London is a substantial old English office which organized an American branch in June, 1897, and deposited \$200,000 with the insurance department of New York and \$300,000 with United States trustees. The company was admitted to New York and a number of other States in the East and West.

Catton, Bell & Co. of San Francisco have been appointed general agents for the Law Union & Crown for the Pacific Coast, and are establishing agencies generally throughout this field. This firm also represents the old Union Assurance Society, and the two great companies make a splendid combination in the general agency.

The Law Union & Crown has \$20,984,722 assets. Of this vast sum, no less than \$2,666,035 is surplus. The paid-up capital is \$1,856,800. We print herewith the statement of the company in full for the year ending December 31, 1897.

INS. INSTITUTE, NEW SOUTH WALES.—The new president, Henry F. Francis, gave his inaugural address on May 17. He referred to the organization of the Fire Underwriters' Association, which regulates rates, commissions, brokerage and "discounts." Mr. Francis said: "Some adverse criticism has been evoked on the part of the public owing to the formulation of a tariff of uniform rates by the companies, and the fear that an attempt would be made by combination to unduly raise the cost of insurance, but it is gratifying to find that the moderation of the companies in fixing the rates charged in this colony has to a very large extent enabled the advances in

rates, where considered necessary, to be made without the friction which certainly would have been engendered had such moderation not been displayed." Papers for the year are announced as follows: June 21, "Notes on Adjustments." July 19, "Lost Policies." August 16, "Marine War Risks." September 20, "Friendly Societies in Australia."

AT THE recent meeting of the Life Underwriters' Association of Chicago, one of the speakers (Bishop Fallows) said: "I am afraid you are putting me in the position of the Spaniards whom Admiral Dewey went after, because I am surprised to-night. . . . I want to know if you are surprised that Admiral Dewey should win such a brilliant victory—take it all in all, the most brilliant naval victory the world has ever known? Are you surprised when you reflect that he is the brother of a life insurance man? I am not. When I came to understand his relationship to the other Dewey, then I said: All things are possible. . . . When I think of the patience and perseverance and the holy cheek that the life insurance solicitor must have, why then I begin to think that there is no walk in life in which these men would not attain success. Mr. Lincoln used to say that in every regiment that went out, in the Union ranks, there was material always for a president, for the members of his cabinet, and for all the best members both of the senate and of the house of representatives. He could truthfully, if he were living to-day, say that of a body of men like these I see before me, because all the qualifications that are necessary to gain a victory on the field of conquest, you possess. . . . What is life? Life is the predicament we are in before death. Now, what is memory? Memory is the isness of the was. What is a co-operative life insurance company that does not co-operate? It is the wasness of the is. You may talk about an earthquake. It is not the earth, but an awful amount of quake. A co-operative society that does not co-operate is a society that operates without the co. And I have had one experience with an institution of this kind. I don't want any more. I want to say, 'From all such, good Lord deliver us.'"

The Royal Fire of Baltimore has been obliged to make an assessment equal to the first premium. This is what the California farm mutuals will soon be compelled to do, likewise.

June Fires.**Washington.**

11. Aberdeen, cannery and conts:	
Manchester	\$4,000
Caledonian	2,000
American, N. J.	1,000
11. Ilwaco, fr cannery and stock:	
Ætna	\$2,000
Merchants	1,500
Scottish Union	2,500
Palatine	2,500
German-American	4,250
Fireman's Fund	2,500
London & Lancashire	2,000
Phoenix, London	2,500
Royal	4,500
United States	1,000
Svea	3,000
American	2,500
Agricultural	2,000
Commercial Union	2,500
Total	\$34,250

15. Tacoma, fr shingle mill:	
Aachen & Munich	\$ 500
Milwaukee Mechanics	1,000
Hamburg-Bremen	500
Manchester	500
13. Tacoma, fr dwg house:	
Aachen & Munich	\$500

12. Lewis co., fr hop kiln:	
Hanover	\$650
28. Snohomish, fr shingle mill:	
Hanover	\$775

11. Seattle, fr dwg:	
Springfield	\$ 690
American Central	1,454

12. Tacoma, fr dwg and contents:	
Western	\$500

18. North Bend, fr dwg:	
Palatine	\$600

14. Palouse, fr dwg:	
Ætna	\$1,200

14. Hadlock, fr dwg & contents:	
London & Lancashire	\$1,049

10. Sedro, fr dwg and contents:	
Hartford	\$508

15. Tacoma, fr bldg and contents:	
North German	\$500

20. Seattle, fr R. R. round-house and rolling stock:	
Hartford	\$1,250

28. Silver Beach, fr saloon, bldg and contents:	
Liv. & Lon. & Globe	\$2,000

18. North Yakima, fr creamery	
German-American	\$1,161
Caledonian	784

28. Seattle, fr dwg:	
Royal	\$520

Losses under \$500	\$2,731
Total Washington	\$64,090

Oregon.

20. Umatilla co., fr dwg & contents:	
Phoenix, Hartford	\$500

28. Portland, fr lodging-house furni and fixtures:	
Liv. & Lon. & Globe	\$821

8. Mt. Tabor, fr dwg:	
Lion	\$ 648
Sun Ins. Office	1,852

13. Roseburg, fr dwg:	
Royal	\$536

12. Coburg, fr boarding-house:	
Royal	\$750

27. La Grande, fr dwg and contents:	
Phoenix, London	\$1,500
Norwich Union	800

29. Roseburg, fr bldg, grain and wool:	
London & Lancashire	\$3,000
Caledonian	3,000

Portland, fr bldgs:	
New York Underwri.	\$2,000
Losses under \$500	\$3,598
Total Oregon	\$19,805

Idaho.

13. Boise, fr laundry:	
Springfield	\$ 500
National, Hartford	1,000

9. Letah co., fr hhd furni and blacksmith shop tools:	
Fire Association	\$550

24. Moscow, fr dwg & contents:	
Phoenix, London	\$1,800

20. Shoshone, fr dwg:	
Liv. & Lon. & Globe	\$500

Losses under \$500	\$ 390
Total Idaho	\$4,977

Utah.

18. Salt Lake City, stock fr bldg:	
St. Paul F. & M.	\$550
Springfield	500
American-Central	550

7. Salt Lake City, fr dwg and contents:	
London Assurance	\$942

25. Salt Lake City, fr saloon:	
Springfield	\$750

31. (May) Salt Lake City, mill and machinery:	
Palatine	\$1,812
German-American	869
Hartford	1,303
Sun Ins. Office	2,569
National, Hartford	1,325

19. Park City, gen'l conflagrat'n:	
Thuringia	\$ 1,500
National, Hartford	5,200
Franklin	900
Phoenix, Hartford	8,000
Home Mutual	500
London Assurance	3,450
North Brit. & Mercan.	3,150
Fireman's Fund	10,600
Hamburg-Bremen	7,900
Royal	7,900
Scottish Union	4,550
Springfield	2,500
British America	1,072
Western	2,865
Milwaukee-Mechanics	500
Norwich Union	2,750
Pennsylvania	1,500
Union	1,250
Union Assurance	2,000
Law Union & Crown	1,000
Palatine	3,400
Ætna	3,000
London & Lancashire	2,970
Svea	2,500
Ins. Co. North Amer.	1,075
North German	2,500
Magdeburg	1,200
Sun Ins. Office	2,250
Alliance	7,500
Caledonian	2,000
Manchester	1,500

Total \$92,587

Losses under \$500 \$2,308

Total Utah \$111,363

Montana.

10. Miles City, fr dwg and contents:	
Transatlantic	\$560
23. Livingston, br dry g'ds store:	
Royal	\$1,438
Atlas	1,000
Magdeburg	2,000
London & Lancashire	750
Ætna	1,000
Pennsylvania	2,000

19. Near Livingstone, fr dwg, contents and barn:	
Thuringia	\$2,000

.. (April) Belt, fr saloon bldg and contents:	
North Brit. & Mercan.	\$600

Losses under \$500	\$1,392
Total Montana	\$15,062

British Columbia.

14. New Westminster fr dwg and contents:	
Ins. Co. North Amer.	\$600
Connecticut	500
Losses under \$500	\$ 650
Total Brit. Columbia	\$1,838

Alaska.

28. Red Fish Bay, fr bldg & stk:	
Svea	\$1,000
Total Alaska	\$1,050

New Mexico.

19. Albuquerque, stock and br bldg:	
New Zealand	\$2,000
British America	4,500
Queen	1,500
Royal	1,900
Scottish Union	2,500
Royal Exchange	2,500
Fireman's Fund	4,500
National, Hartford	1,800
Imperial	1,000
Lion	1,000
Atlas	3,000
Svea	1,000
Palatine	5,500
North British & Merc.	2,500
Alliance	7,000
Manchester	2,250
Total	\$44,450

19. Sante Fe, stock:	
Queen	\$2,500
Fireman's Fund	1,000
Losses under \$500	\$ 605
Total New Mexico	\$50,858

Nevada.

21. Reno, fr dwg:	
Svea	\$636
Small losses	\$305
Total Nevada	\$1,041

Arizona.

5. Cochise co., farm property:	
Fireman's Fund	\$575
London & Lancashire	575
23. Phoenix, brick bldg, furni and fixtures:	
Liv. & Lond. & Globe	\$500
Norwich Union	800
Commercial Union	1,231
1. Phoenix, fr dwg:	
German-American	\$925
. . Ash Fork, fr dwg:	
Union Assurance	\$1,000
4. Phoenix, fr bldg:	
Union Assurance	\$750
Losses under \$500	\$1,302
Total Arizona	\$8,111

Colorado.

. . (May) Pueblo, stock:	
Fireman's Fund	\$663
. . (May) Boulder, brewery:	
North British & Merc.	\$1,041

1. Trinidad, fr dwg & contents:	
Western	\$1,275
Atlas	2,000
23. Denver, bldg:	
Fire Association	\$500
10. Grand Junction, fr dwg and contents:	
Palatine	\$1,000
9. Denver, shaft house and machinery:	
National of Hartford	\$2,727
19. Albuquerque, opera house & contents:	
Royal Exchange	\$2,500
Losses under \$500	\$2,948
Total Colorado	\$15,387
Total Outside Territory	\$292,367

California.

14. Lake co., quartz mill:	
Svea	\$3,100
. . Vallejo Junction, hotel furni and fixtures:	
Scottish Union	\$1,000
Sun Ins. Office	2,000
4. Berkeley, fr dwg and conts:	
Scottish Union	\$631
4. Sacramento co., fr dwg conts:	
Scottish Union	\$800
3. Sacramento, fr dwg contents:	
North Brit. & Mercan.	\$500
18. Oroville, brewery & contents:	
North Brit. & Mercan.	\$1,000
Norwich Union	1,000
London	1,905
Alliance	979
. . Santa Clara co., fr dwg and barn:	
North Brit. & Mercan.	\$2,020
. . (May) Los Angeles, stock:	
Greenwich	\$2,500
American Central	2,000
North German	3,052
20. Alameda co., fr dwg:	
British America	\$500
8. Los Angeles, drug stock:	
Western	\$1,640
Milwaukee Mechanics	811
4. Salinas, stock:	
Pennsylvania	\$593
Ætna	708
Phoenix, Hartford	733
8. Los Angeles, fr dwg & conts:	
Palatine	\$2,150
New Zealand	500
. . Santa Barbara, fr dwg and contents:	
Atlas	\$800
12. San Jose, fr dwg & tank h'se:	
Imperial	\$1,200
Springfield	525
19. Stockton, fr hotel:	
Imperial	\$1,000
. . (May) Ben Lomond, fr dwg:	
National, Hartford	\$600
4. Oakland, stock:	
National, Hartford	\$1,000
Ætna	879
North German	1,500
Aachen & Munich	1,000
24. Oroville, fr dwg:	
National, Hartford	\$500
29. Chino:	
New Zealand	\$ 588
Liv. & Lon. & Globe	1,350
Hartford	1,000
Franklin	500
13. Felton, fr dwg:	
Royal	\$1,000
18. Madera, fr dwg:	
Royal	\$1,414
. . (May) Los Angeles, br bldg and stock:	
Royal	\$ 500
Merchants	2,500
Lancashire	6,501
23. Armona, fr saloon:	
Royal	\$800
. . (May) Los Angeles, stock:	
Fireman's Fund	\$1,276
9. Forbestown, fr dwg and contents:	
Fireman's Fund	\$1,153
18. Merced co., fr dwg, barn and contents:	
Fireman's Fund	\$2,032
. . (May) Oakland, fr dwg:	
Sun Ins. Office	\$1,900
. . (May) Sacramento co., fr hop barn and contents:	
Sun Ins. Office	\$1,500
4. Sacramento co., cord wood:	
Connecticut	\$900
5. Sacramento Co., fr dwg and outhouses:	
Manchester	\$875
3. Stockton, fr dwg:	
Milwaukee Mechanics	\$895
16. Pasadena, fr dwg:	
Springfield	\$900
9. Salinas, fr bldg:	
Franklin	\$550
1. Oakland, fr bldg:	
Franklin	\$955
19. Porterville, fr blacksmith shop and contents:	
N. Y. Underwriters	\$500

1. Oakland, fr bldg: Williamsburg City . . . \$1,910	
9. Oakland, fr dwg: London \$825	
. Davisville, fr hotel bldg and contents: N. Y. Underwriters . . \$3,750	
19. Fairfield, fr dwg and con- tents: Fire Association . . . \$800	
12. Visalia, br bldg and stock: German-American . . . \$963	
. Tehama co., fr bldg & con- tents: London & Lancashire . . \$730	
30. Martinez, fr dwg: Connecticut \$800	
2. Orange Co., fr dwg: American N. J. \$586	
11. Redlands, fr dwg: London & Lancashire . \$2,757	
14. Gridley, fr bldgs: London & Lancashire . . \$610	
20. San Bonito co., fr barn and contents: Liv. & Lon. & Globe . . \$1,563	
30. Sacramento co., fr bldg and contents: Liv. & Lond. & Globe . \$1,000	
20. San Bernardino, br bldg: Phoenix, Hartford . . . \$845	
3. San Bernardino, fr lodging house bldg: Connecticut \$1,000	
20. San Bernardino, br dwg and contents: Royal Exchange . . . \$1,500	
. (May) San Mateo, fr dwg and contents: Home Mutual \$577	
27. Hydesville, fr school and contents: Home Mutual \$1,200	
17. Martinez, fr winery: Transatlantic \$3,500	
7. Clovis, fr planing mill: Royal \$2,397	
Ins. Co. North Amer. . . 978	
Svea 1,956	
American 1,450	
Union 1,100	
Pennsylvania 1,800	
Palatine 2,567	
Imperial 1,956	
Lion 1,956	
Queen 1,200	
Norwich Union 1,198	
Sun Ins. Office 978	
Hartford 1,505	
Merchants 800	
Total \$21,841	

23. Georgetown fr dwg and con- tents: Caledonian \$844	
19. Tracy, gen'l conflagration: Fireman's Fund . . . \$3,650	
Scottish Union 1,000	
Western 1,500	
Pennsylvania 2,600	
Norwich Union 2,400	
Ætna 2,000	
Phoenix, Hartford . . . 3,800	
American-Central . . . 750	
Hamburg-Bremen . . . 3,800	
Sun Ins. Office 2,500	
Northern 2,687	
St. Paul 750	
Home Mutual 3,025	
Merchants 1,000	
Orient 1,500	
Commercial Union . . . 5,000	
Alliance 2,000	
Royal Exchange 1,500	
Total \$41,462	

17. San Luis Obispo, fr dwg: Alliance \$500	
Small losses \$36,950	
Total California, S. F. ex. \$195,228	

San Francisco.

. Stock: Greenwich \$ 750	
8. Brick building and contents: Pennsylvania \$ 514	
Aachen & Munich . . . 1,200	
Lancashire 425	
23. Stock cloaks: Imperial \$ 614	
Lion 1,227	
New Zealand 529	
Union Assurance . . . 1,500	
Milwaukee Mechanics . . 736	
Northern 614	
7. Wine cellar: Magdeburg \$756	
24. Building: North German \$887	
17. Frame store building: Aachen & Munich . . . \$750	
17. Dry goods: Merchants \$500	
24. Stock furniture: Manchester \$500	
25. Stock and machinery: Milwaukee Mechanics \$ 700	
Springfield 1,000	
Small losses \$17,605	
Total San Francisco . . \$33,286	
Total California . . . \$228,514	
Total Pacific Coast . . \$520,881	

Losses by Companies.

Aachen & Munich \$ 4,444	
Ætna 14,818	
Agricultural 2,023	
Alliance 18,755	
American, N. J. 1,803	
American, Pa. 5,088	
American Central 6,070	
Atlas 7,260	
Baloise 54	
British America 6,297	
Caledonian 10,515	
Commercial Union 9,450	
Connecticut 4,700	
English-Amer. Underw. . . 445	
Fire Association 2,720	
Fireman's Fund 30,525	
Franklin 2,905	
German Alliance 82	
German-American 9,464	
Greenwich 3,781	
Hamburg-Bremen 6,588	
Hanover 2,973	
Hartford 7,758	
Helvetia 1,298	
Home Mutual 7,776	
Imperial 7,307	
Ins. Co. North America . . 3,048	
Lancashire 7,371	
Law Union & Crown . . . 1,000	
Lion 5,156	
Liverpool & Lon. & Globe . 11,018	
London & Lancashire . . . 16,752	
London 8,090	
Magdeburg 4,051	
Manchester 13,166	
Merchants 6,550	
Milwaukee-Mechanics . . . 5,914	
National, Hartford 15,923	
New Zealand 4,054	
New York Underwriters . . 6,707	
Northern 4,157	
North German 9,900	
North British & Mercant. . 12,396	
Norwich Union 9,648	
Orient 2,773	
Palatine 21,179	
Pennsylvania 12,749	
Phoenix, Hartford 15,079	
Phoenix, London 6,042	
Providence-Washington . . 245	
Queen 5,485	
Royal Exchange 7,343	
Royal 24,603	
Scottish Union & Nation'l . 13,325	
Springfield 8,651	
St. Paul 2,348	
Sun, London 18,015	
Svea 14,731	
Traders 328	
Transatlantic 4,736	
Thuringia 5,091	
Union, London 4,840	
Union, Pa. 1,443	
United States 1,464	
Williamsburg City 1,910	
Western 8,047	
Total \$520,881	

Major Bonsall, Special Agent for the Imperial and Lion.

Major W. H. Bonsall, of Los Angeles, California, who for the past nine years has been special agent for the Phoenix and Home, has accepted a similar position with Manager Landers of the Imperial and Lion. He will have charge of the same field, which has been southern California and Arizona.

Major Bonsall is 52 years old. Thirty-one of these years have been spent in fire insurance. He entered the business in 1867 as a local agent in Ohio. After a few years he was made a special or State agent for Ohio, West Virginia, and that portion of Kentucky from Cincinnati up the Ohio River to the West Virginia line. Later on, Major Bonsall served as general agent or manager for the Western and Southern States, with headquarters at Cincinnati.

In 1881 he accepted the position of business manager of all the publications of the *Spectator* Co., in New York City, supposing that he and Colonel Clifford Thomson had an option to purchase. He continued with the *Spectator* for four and a half years, when, ascertaining that a change of ownership voided the option, he at once left for Los Angeles, California, arriving there July 16, 1886.

Major Bonsall is an active, energetic worker, and is generally liked by agents and others who come in contact with him. He has been a man of prominence in the City of the Angels, and has also recently been honored by the United States Senate and House of Representatives by being appointed a member of what many people regard as the most distinguished "Board" in the country. We allude to the Board of Managers of Soldiers' Homes of the United States. It is purely honorary, and is composed of the President, Secretary of War, the Chief Justice, and we believe eight other gentlemen named by the House and Senate.

Major Bonsall has contributed some good things for the *Coast Review*, both in prose and poetry, but his modesty in not adding his signature has robbed him of deserved credit.

Hobson's Choice.

The Union Central Life Ins. Co. is able to make a nice "ad." through Hobson, the hero of the Merrimac. He is insured in the company for \$10,000, and was the first man to apply for a war permit. It was sent to him on April 21. The Union Central is proud to have Lieutenant Hobson on his list, but suggests that one exploit of the sunken Merrimac kind is enough for a lifetime.

Washington Insurance Association Protest.

Resolved:—That the members of this association hereby condemn the growing practice among managers and general agents on the Pacific Coast, through their special agents, of establishing agencies with merchants, bankers and others outside of those actually engaged in the business of soliciting and writing fire insurance, in towns of 1,000 or more inhabitants, as being extremely injurious and detrimental to the fire underwriter's business in such smaller towns, and this association does hereby recommend to managers and general agents for the Pacific Coast, the advisability of instructing special agents, when placing agencies in the future, of giving preference in all cases to persons actually engaged in the fire underwriting business.

A Serious Complaint Against a Missouri Mutual.

A correspondent writing from Bruner, Mo., to the editor of *The Policyholder*, make a serious charge against a home mutual company, which he says is located in Kansas City, but does not give the name. He says that he had a barn costing \$1,000 insured for \$600, and that on the 10th of last November it was totally destroyed, together with \$300 of contents, which were not insured. He says the company sent an adjuster, who figured everything to the lowest point and went away, but at the time of writing his letter (February 5th) he had not received his money nor could he get any satisfaction, and was about to begin suit. He then goes on to compare his treatment in this case to the promptness with which a loss was paid by a stock company in a previous fire, and the comparison is decidedly unfavorable to the home company, and he draws the erroneous conclusion that mutual insurance is unsafe. There are usually two sides to a story, and when the side of the insurance company is heard, it may put a different phase on the situation, but as the matter stands now it certainly looks as though the company was unnecessarily slow in set-



MAJ. WM. H. BONSTALL,
Special Agent and Adjuster Southern California and Arizona,
IMPERIAL AND LION INSURANCE COMPANIES.

ting, although it had the undoubted privilege of taking the full ninety days.

Mutual companies should always strive to be prompt in settlements, and not be outdone in any respect by old line companies. If they would all be prompt they would disarm criticisms like the one referred to.—*The Policyholder*, Ozark, Mo., organ of Mutuials.

Sprinkled with Wine.

The following appears as a P. S. to a report on a loss by a country agent adjuster:

"The tenant had a canvas banner painted. He rolled it up and put it under the stairs, and it went off. Fortunately there were two barrels of wine in bottles right alongside, and as the heat burst the bottles, the wine delayed the fire. A small cat upstairs waked the children, who found the room full of smoke."

The wine and the cat saved \$10,000 worth of property.

Coast Fires by Months.

	1898.	1897.
January	\$483,292	\$218,871
February	226,201	358,603
March	374,338	429,420
April	439,286	196,917
May	516,901	340,911
June	520,881	407,120

Six months . . \$2,560,899 \$1,951,842

Speculative Mutuials in Pennsylvania.

Colonel Lambert, the Pennsylvania insurance commissioner, states that the bogus mutuials in Pennsylvania are being rapidly exterminated. That during the past three years twenty-five have been forced to go out of business and a number of others have voluntarily dissolved. Colonel Lambert says:

"The operations of most of these companies were conducted without any pretense of honesty, and seeking only to accumulate from the policyholders for the benefit of a small ring of promoters as much as possible. They have been a discredit to the insurance system of the State and have brought into unjust disfavor the system of mutual insurance.

ITEMS.—The national meeting of assessment life underwriters met this week in Michigan. But this is not the reason the California insurance commissioner went to Michigan. The Northwestern Life (Masonic Aid) has lifted the rate on a lot more members. It is said that the report on the Covenant Mutual of

Galesburg, recently examined, is unfavorable. The National Association of Life Underwriters, which meets in Minneapolis next month, is arranging for an excursion to Yellowstone National Park. The Fidelity & Casualty and the Lloyds Plate Glass, at enmity in the Chicago wild West, have "made up." New Zealand may establish an accident as well as an insurance department. For fraudulent industrial claims, Zanoli, the New York barber, has been sentenced to nine penitential years. The defunct Massachusetts Benefit Life may pay 40 cents on the dollar.

Chemical Extinguishers.

BY CHAS. A. HEXAMER. READ BEFORE THE NATIONAL FIRE PROTECTIVE ASSOCIATION, JUNE 7, 1898.

Two thousand years ago the ancient Greeks, in order that the burning arrows of their Asiatic enemies might not consume their wooden defenses, used alum to coat all exposed wood work, and prepared alum solutions for fire extinguishing purposes. From that time to the present day, the use of chemicals for fire extinguishing has received considerable attention.

During the great fire in London in 1666, it was noticed that on exploding a large quantity of gunpowder to destroy a building in the path of the fire, all flames in the immediate vicinity were extinguished. Bombs, containing inflammable chemicals known to give off stifling gases, provided with an igniting fuse, and intended to be thrown into a burning building, were used early in the eighteenth century.

In 1715 an extinguishing apparatus consisting of a cask of water into which a can of gunpowder was suspended in such a manner that on placing the apparatus in a burning room and exploding the gunpowder by means of a fuse the water would be thrown in all directions, and, together with the dense gunpowder smoke, would extinguish the flames. Hollow clay or glass balls filled with finely powdered alum and containing a charge of gunpowder arranged to be ignited by a fuse, and intended to be thrown into the fire, were used as early as 1770.

NO NEW INVENTIONS.

From early in the present century, when the fire-extinguishing qualities of various chemicals became better known, up to the present day a large number of so-called fire extinguishing solutions and compounds were

from time to time brought to the attention of those interested in extinguishing fires. The claims made by the various inventors and manufacturers of such devices seem to be stereotyped, those nearly one hundred years old reading the same as those of to-day. The description of fire tests made to demonstrate the value of the earlier devices, vary but little from those reported in the newspapers of the present time.

The early inventors also knew that mysterious and secret compounds for fire extinguishing purposes would be bought by the general public at many times their intrinsic value. While hundreds of compounds and devices have been "invented" (?) few, if any, have succeeded in demonstrating their value and of obtaining a foothold among the fire extinguishing apparatus of our fire departments.

It may be well at this point to consider the term "invented" as applying to this class of chemical extinguishers. As the chemical salts and gases with fire extinguishing properties are well known, the "invention" of a new chemical with these properties is out of the question. The "inventor" of fire extinguishing powders or solutions is restricted to compounding mixtures from the following list of chemicals, whose properties are well known, viz.: alum, soda, borax, hyposulphite of soda, silicate of soda (water glass), chloride of lime, tungstate of soda, chloride of tin, sulphate of ammonia, chloride of ammonia, sulphate of soda, nitrate of soda, chloride of sodium, (common salt), potash, bicarbonate of soda and ammonia.

HAND GRENADE HUMBUG.

The process of inventing a chemical fire extinguishing compound is, therefore, the question of a short time. As an example of this class of chemical fire extinguisher, I will ask you to recall the advent of the "hand grenade." The millennium has arrived; no more conflagrations were possible. Fire tests such as described further on, were made in every city and village; thousands of glass bottles, filled with an inexpensive saline solution were sold at many times their value: the papers were full of cases of fires extinguished by hand grenades, etc., etc. The claim that a substance had at last been found, which, thrown into a fire at its incipency, generated a gas and promptly extinguished the flames, seemed to be substantiated. The burning of a warehouse containing a very large number of hand grenades on storage in this city, however, demonstrated very forcibly that the extin-

guishing gas supposed to be generated by heat, did not generate.

It is not the object of this paper to discuss in detail the value of the various chemicals above mentioned; but to describe briefly the principle and construction of the only chemical fire extinguisher which has won a permanent place among the apparatus used by organized fire fighters throughout the world, namely, the carbonic acid gas extinguisher.

THE FIRST CARBONIC GAS MACHINE

was constructed by Charlier & Vignon in Paris in 1864, and excepting that tartaric acid powder used to liberate the carbonic acid gas from the bicarbonate of soda solution was soon replaced by sulphuric acid and the construction providing for the liberation of the carbonic acid gas on closing the cylinder and the maintenance of a constant gas pressure was soon discarded, there has been no change in the principle of this class of apparatus.

The apparatus consists of a cylinder, usually of copper, which—as the pressure of the gas generated therein reaches about 125 lbs. per square inch, and which under certain conditions may largely exceed this,—for safety must be strong enough to stand from 300 to 500 lbs. pressure to the square inch. The cylinder is closed by a screw cap, and provided with an outlet to which a short piece of hose is attached. A short metal nozzle, usually of lead or an alloy of lead, is attached to the hose. A stop-cock to shut off the chemical fluid may, or may not, be used. The chemicals used are bicarbonate of soda dissolved in water of sufficient quantity to fill the cylinder, and sulphuric acid, which latter is contained in a glass bottle inside the machine, so arranged that when to be used, the bottle is either reversed or broken discharging the acid into the soda solution, generating carbonic acid gas.

The various extinguishers now in use differ principally in the method of storing the sulphuric acid and in the method of mixing the acid with the soda solution. Without going into details as to the mechanical construction, I will briefly describe the simple chemical reaction which takes place in all extinguishers of this class.

CHEMICAL RE-ACTION.

When sulphuric acid is mixed with bicarbonate of soda dissolved in water, the sulphuric acid at once combines with the soda of carbonic acid gas in great volume. The value of the apparatus is due to this chemical action. Both the soda solution and carbonic acid gas

are of value as extinguishing agents, although I believe that except in cases of very close application to the fire, or in confined spaces, the carbonic acid gas is valuable more as a propelling agent for the soda solution than as an extinguishing agent.

The proportion of the chemicals are so arranged that the amount of bicarbonate of soda is largely in excess of the amount necessary to take up the quantity of sulphuric acid used. This is done that the solution ejected from the extinguisher may be alkaline and prevent free acid from doing damage. Secondly, to make the resulting soda solution as strong as possible.

As above stated, I believe that the soda solution in most instances is of more value as an extinguishing agent than the carbonic acid gas. I base this assertion on the fact that, when the stream from a chemical extinguisher is thrown on a fire from a distance, the larger quantity of the carbonic acid gas is dissipated.

As carbonic acid gas acts solely by exclusion of the air necessary to support flame, and as the proportion of carbonic acid gas necessary to render the air in a certain space a non-supporter of flame is about ten per cent. in large open rooms or in the open air, where confining the gases is impossible, carbonic acid gas—excepting it be used in exceedingly large quantities—is of little avail. The value of the carbonic acid gas extinguisher depends largely on the fact that

THE SODA SALTS

are very soluble, and that a saturated solution of it, when thrown on the fire, at once coats the burning substance with a crust of incom. bustible soda salts, thereby preventing the spread of the fire. It is due to this fact that chemical fire buckets, syringes and the tin tube extinguishers have in some cases been of value, as a soda solution of some kind is usually the chemical this class of extinguishers contain. It is safe to assume that the claim made that this latter class of chemical extinguishers extinguished flames by means of a gas generated from the chemicals they may contain, when thrown on the fire, is not entirely borne out by the facts. I do not wish to be understood to say that a gas which does not support combustion cannot be used to put out a fire under certain conditions; but the conditions in actual practice do not warrant the claim made for the so-called chemical extinguisher. The value of extinguishers of this class is further reduced by the fact, that, in order to be at all effective, it is necessary

that they be used on the flame at close quarters, which in most fires is impossible on account of smoke.

COMPRESSED AIR POWER.

Chemical extinguishers without carbonic acid gas and using compressed air as a propelling force, have as you know, been on the market for some time. The effectiveness of this class of extinguishers is, however, reduced by the fact that it appears difficult to construct an apparatus which will permanently hold air under pressure.

In 1881, a patent was issued to a man named Raydt, for an apparatus for extinguishing fire, consisting of a large cylinder for water, and a smaller one for liquified carbonic acid gas. By opening a stop-cock the liquified gas was introduced into the water cylinder so that carbonated water at great pressure was at once available. While this apparatus was of good extinguishing effect it never came into general use. Stationary cylinders of liquified carbonic acid gas should however, be of value for extinguishing fires in confined spaces containing inflammable substances. For instance, coal bunkers of vessels, holds of vessels, cotton ware rooms, etc. Oil tanks could be very successfully protected by a device arranged to discharge carbonic acid gas over the surface of the burning oil.

SO-CALLED TESTS.

Returning to the question of extinguishing fires by means of gases generated from chemicals thrown into the flames, I am of the opinion that this claim is largely due to the fact that so-called fire tests of fire extinguishers are generally arranged to prove this claim. You are all familiar with the stereotype test of this kind; a large wooden box carefully placed with reference to the direction of the wind at time of test, is partly filled with strips of wood, excelsior and other inflammable material treated to a liberal allowance of coal oil, turpentine or tar. The application of the liquid from the extinguisher being tested is made to the base of the burning mass apparently that the gas generated from the chemicals may rise and extinguish the flame. Some gas, if the heat is great, is undoubtedly liberated and has some effect on the flames. The fire, however, is usually extinguished by the coating of the burning substance with a soda salt, thereby preventing the generation of combustible gases.

It is found that in such tests the oil used after having the desired effect of creating a

very large and fierce flame, has been entirely consumed. I recall a test of a chemical extinguisher where the regulation test was made as follows: A large piano box with one side removed and set on edge was partly filled with strips of wood and excelsior, liberally treated with coal oil, the upper portion of the box was painted with a tarry mixture; when ignited the flames shot up twenty feet or more. With one application of the extinguisher the flame was extinguished, the oil and tarry paint having been entirely consumed and the wood only slightly charred.

The Caledonian Insurance Company.

A FINE SHOWING. WITH EXTRAORDINARY GAINS—GREAT PROSPERITY.

A brief comparison of the statements of the Caledonian Insurance Company for the past two years shows some very large gains and proves that the advance is along prosperous lines.

The assets of the Caledonian have advanced from \$3,050,116 to \$3,491,531. This is a very large gain percentage indeed. The fire premiums likewise made a large gain, the total rising from \$1,893,364 to \$2,034,639, a gain of \$141,000.

The Caledonian has deposited in this country for the special protection of American policyholders, \$1,711,658. Its total American investments, however, are over \$2,212,000, of which over a million dollars is clear surplus. The company's surplus as regards policyholders is nearly two million dollars. This large surplus constitutes fine security.

The American branch last year, under Manager Post, increased its assets, increased its surplus, increased its premiums, and decreased its losses and expense ratio, making an all round good record.

The Pacific department does a large business. L. B. Edwards is manager and Thos. J. Conroy is assistant manager.

ITEMS.—Pacific Mutual Fire of Rhode Island has canceled and will wind up. Passenger elevators are being written at \$15. The Highland Mutual of New York has failed. The N. W. National is being thrown out of Ohio agencies generally. The Globe Life & Accident of Indiana is in the capacious hands of a receiver. Chas. L. Mitchell, Coast agent

of an obscure fidelity company, died in Oakland, Cal., last month, of typhoid pneumonia.

Assistant Manager R. W. Osborn.

Well deserved promotion has come to R. W. Osborn, who for the past two years has been superintendent of agencies for the Pennsylvania Fire Insurance Company. He has been appointed assistant manager of the Pacific department under Manager Pope. We congratulate Mr. Osborn. He is a hard worker, a bright underwriter, and grasps the inevitable problems of the business right readily.

Mr. Osborn for eighteen years associated in various capacities with the general agency of Brown, Craig & Co., and joined the new Coast department of the Pennsylvania Fire when it was organized in 1896.

BONDS.—Applications for the new war bonds have been made by several insurance companies, among them these:

Mutual Life	\$20,000,000
Equitable Life	20,000,000
New York Life	10,000,000
Continental	500,000
Liverpool & London & Globe	100,000
Norwalk	100,000
Williamsburg City	100,000
Germania	100,000

"Santiago and Environs," a fine map with the compliments of the Delaware Ins. Co. The only reason the company is doing no business in Santiago and Havana is because of fire bugs and fiery conditions generally in those distressed cities.

The Insurance Press.

Dr. Bombaugh, the founder and for thirty-three years editor of *Baltimore Underwriter*, has withdrawn from active service editorially and will take an unlimited vacation. The doctor ranks among the foremost writers for the insurance press, and is second to none in vigor and originality of style and idea. James H. McClellan takes his place during an indefinite absence.

According to *Insurance Times*, the New York rate war has left two classes of risks untouched, to-wit, "floaters" and "sweat shops." The latter are written at from 1.50 to 2.50 in \$500 lots. But meantime kindling-wood choppers, churches, saloons, female boarding-houses, paint-shops and other inflammably bad risks are being written about a third of the tariff rates.

Anti-Compact Legislation.

Anti-compact legislation began with the introduction of a measure against insurance combinations in Michigan in 1883. In 1887 a similar measure became a law, and an abstract of this original anti-compact law was printed in the *Coast Review* at the time. The inspiration of this annoying but vain measure was a Grand Rapids furniture company, whose rates, strange to relate, have increased since the enactment of the law. Meantime, Ohio passed an anti-compact provision (in 1885), and later several States followed these bad examples. The "Cyclopedia of Insurance" gives the following list of States having anti-compact laws: Alabama, 1897; Georgia, 1891; Iowa, 1896; Kansas, 1889; Michigan, 1887; Missouri, 1895, an amendment of the anti-trust law of 1891; Nebraska, 1889; New Hampshire, 1885; Ohio, 1885, amended in 1891; Texas, 1895, amendment of anti-trust law of 1885. Maine passed such a law, but repealed it. The effect of this legislation has been a deterioration of risks and fire protection, wherever it has had any effect at all; and in some localities, notably in Michigan, insurance rates have advanced in consequence. The relation between losses and rates can never be abolished by anti-compact laws.

The arguments which apply to other branches of business, in defence of anti-trust laws, do not apply to fire insurance, for the simple reason that the cost of fire insurance can never be known in advance. By combining and pooling their experiences the underwriters can make an approximate estimate of the cost. If they cannot estimate fairly for a single classification, they may at least strike a safe average for a group, and thereby guarantee sure indemnity.

Property-owners ask for sure indemnity; and any law which makes it doubtful, even if it secures reduced rates, is not in their interest. Laws which favor the organization of fire mutuals, and laws which prohibit underwriters from pooling their experiences, impair the average quality of fire indemnity, and are there-

fore opposed to the best interests of property-owners and business generally.

In ordinary business transactions the seller must make a profit. He must make it and he does make it—legitimately or illegitimately. If he makes it illegitimately he does not deliver the goods as agreed. Fire underwriting furnishes a parallel. The fire underwriter must also make his profit—legitimately or illegitimately. If he makes it illegitimately he does not deliver the underwriting goods as agreed. Any law which compels him to sell his goods at too low a price reacts on the buyer in the quality of the underwriting. The underwriter does not know the cost of his goods in advance. He has to guess at the cost, and if you make him guess too low, by law, you make him deliver inferior goods or short measure or light weight, as you may choose to express it.

Nobody can say what the cost of fire underwriting is, from a year's experience, as to class or company, nor from the experience of a single city or State. As a whole, we know that fire underwriting is not very profitable, since the average profit in the United States, the most profitable field in the world, has been less than four per cent. For every town, city, district or State in which the business has been profitable, we can cite a corresponding locality in which it has been unprofitable. Where companies have made money, other companies, writing the same hazards in the same extent of time, have lost money.

Whatever discourages or prohibits the organization and maintenance of underwriters' compacts or boards exerts an ill effect on fire protection and on the character of risks generally. The establishment of minimum rates, it should not be forgotten, is by no means the only nor even the main object of underwriters' compacts. The scope of the underwriters' boards embraces water supplies, fire apparatus, fire departments, building ordinances, legislation, electric-wiring, explosives, contracts, the inspection and improvement of individual risks, and

other things conducive to safety and economy, and therefore conducive to sound underwriting and low rates.

The abolition of boards and compacts generally would at first, no doubt, provoke a competition which in the end would destroy all competition. Only the larger companies could survive, and they could easily form a genuine monopoly. But, as we have already shown, the abolition of such boards in a single State or in a State here and there, as is now the case, could have no permanent or serious effect on rates, excepting to cause an advance as the result of deteriorated fire protection.

Anti-compact laws, as regards insurance companies, are not in the interest of property-owners. This is demonstrable. Compacts are essential to perfect indemnity, and their tendency is to reduce rates by improving hazards and establishing a low and uniform rate of commission. They are therefore in accordance with and not contrary to public policy.

The constitutionality of anti-compact laws has never been passed on by the National supreme court, though it has sustained the anti-trust law passed by Congress in 1890. It is a curious contradiction of effects, that while mercantile trusts "drive out of business the small dealers," as the court said, underwriters' compacts encourage the organization of new companies and enable the small companies to thrive and give good indemnity while managed by men of average competence. There is nothing in the underwriters' compact which imposes any "restraint on trade." Eminent counsel are of opinion that the various anti-compact laws are unconstitutional.

ITEMS.—The National Fire of Hartford has purchased the Mechanics & Traders of New Orleans, which has an annual premium income exceeding \$200,000. An English fire underwriter says: "Conflagrations are unquestionably the salt of our business; without them it would lose half its charm. They are our fertilizers; they impart new life and vitality into ground which, perhaps, has been getting sodden and stale."

A Portland Life Appointment.

Eugene C. Protzman, who was formerly the Postmaster for the past four years, in Portland, appointed under the Cleveland administration, his term expiring June, 1898, has accepted the superintendency of agencies for Oregon and Idaho, in the agency of Pickering & Adams, who are the State agents for the Mutual Benefit Life Insurance Company. Mr. Protzman has been a resident of Portland for over thirty one years, and has a host of friends who will be pleased to see him make a success in his new line of business.

Chips.

—Wm. J. Landers and family are spending a few weeks at Catalena Islands.

—Geo. F. Grant is taking a couple of weeks' vacation at Bohemian Camp on the Russian River.

—Assistant Manager Miles has returned from a few weeks' visit to his agencies in the Rocky Mountain country.

—C. G. Heifner, of Olympia, deputy insurance commissioner of the Washington department, visited San Francisco last month.

—Don't forget to put a 2-cent revenue stamp on your bank check: and a 2 cent stamp for every \$100 or fraction of a promissory note or renewal thereof.

—Chicago's loss ratio in the last ten years has been 60 per cent., though rates on many classes of risks are as high as in San Francisco. We, however, are still looking for that "big fire" predicted by a New York paper ten years ago.

—Charles F. Brown, of the Guardian Fire and Life Assurance Co. of London, passed through San Francisco last week, on his way home from Australia. Mr. Brown formerly visited San Francisco, and was then an inspector for the Caledonian.

—Grayson Dutton, who grew up in the Fireman's Fund office, who spent six months East studying up sprinkler equipments, fire alarm systems, and construction of factory and special hazard plants, is now ready to assist agents in securing good special hazards that, when properly sprinkled with Esty sprinkler, can be written profitably at a reasonable rate. Mr. Dutton will survey plants, make estimates, and secure bids for installing sprinklers.—*Fireman's Fund Record*.

—John H. Burgard has been appointed special agent for the Northwest department of the Home of New York, under General Agent Coleman.

—General Agent Tom C. Grant of the North British has been brushing up his knowledge of geography, especially that part where Dowey has recently given capital report. Mr. Grant gives his friends the results of his investigations, in the form of a capital map of the world, with a picture of the harbor and fortifications of Manila, out of which "1" was recently knocked.

—The Washington State Insurance Association held its first annual meeting in Seattle, June 15, with President Frank Hanford in the chair. All companies (with one exception easily guessed) have contributed to the support of this useful body. The surveying bureau, at Tacoma, is in charge of Lee McKenzie. Fire hazards have improved generally, and the tendency in new ratings is therefore downward. The conflagration hazard in Washington, however, is still exceptionally great. The following officers were elected, after which the meeting adjourned: Frank Hanford, president (re-elected); B. W. Baker, of Seattle, secretary (re-elected); Walter J. Ball, of Tacoma, E. P. Y. Day, of Whatcom, and E. B. Whitman, of Pullman, members of the executive committee, of which, also, the officers are ex-officio members.

—Whatcom's great lumber mill is in ashes, and 140 men are out of work. There was \$50,000 worth of dry lumber in the planing mill. It burned completely, though a torrent of rain was falling. The mill originally cost a quarter-million, and there has been improvements since. There was an electric-light plant in connection: it also burned. The total loss is about \$300,000, with little insurance. A risk of \$60,000, according to *Post-Intelligencer*, was nearly placed, but was delayed too long. The fire started at half-past six in the morning, near the boiler-room. Smell of burning grease was first noticed, and fire was first found in the fan-house, in which there is never any fire. Is it possible that burning particles could have drawn through the air shaft? The corporation engines soon had a stream going, and the Fairhaven steam fire-engine was brought over; but as the latter was clogged up from several years' idleness it was long before its more powerful stream helped to save surrounding property.

—Of course you got a copy of the Coast Review Insurance Chart. Largest edition ever printed. Your company did not intend to overlook you.

—Now is the time to look after "political fences." There should be at least one insurance man in the San Francisco delegation at Sacramento next winter.

—E. J. Louis, special agent of the Fire Association, served as one of the aids to Grand Marshal Johnstone Jones, in the big Fourth of July parade at Los Angeles.

—Is this a very old chestnut? What is the difference between a marriage for love and a marriage for money? One is the Home Mutual the other a Commercial Union.

—L. E. Neergaard, who came to California to work in the interest of the Manhattan Life Ins. Co., under the direction of Manager John Landers, has returned to Portland, Or.

—Mrs. John C. Dornin died in Philadelphia last month, after a brief illness. Mrs. Dornin was the wife of John C. Dornin, special agent of the Springfield & National in the Northwest.

—Chester Coulter, a clerk in the employ of the Preferred Accident in San Francisco, died of consumption last month. The deceased was a bright and conscientious young man. Fred Fowler has been appointed his successor.

—MARRIED.—Special Agent A. A. Maloney of the Continental, at Los Angeles, was married to Miss Fannie Harmon Smith, of Chicago, last month. The wedding took place at the residence of the bride's sister in Chicago. The happy couple will reside in Los Angeles.

—David Campbell is Portland's new fire chief. He entered the department in 1881, and rose successively through the several grades, from extraman to chief. Mr. Campbell is said to be the best man for the place in all the town. He was chief in '96, but was removed for political reasons by Pennoyer "the reformer."

—C. A. Stuart, lately with the Home Mutual, and well known in insurance circles, as special agent and an ex-manager, has joined the heavy artillery volunteers of California and will accompany the next expedition to Manila. Mr. Stuart is an Olympic athlete, tall and strong, and will prove a credit to the United States artillery.

At the Omaha Fourth of July celebration, according to a dispatch, "Hon. J. M. Beck of Philadelphia delivered an oration." Was this our J. M. Beck of the Fire Association of Philadelphia?

—The National Association of Local Agents, which meets in Detroit July 15 and 16, will have a good time anyway, and that is not a minor object of the meeting. There will be an excursion in the inland waters, and good feeding and good feeling, but not much profit, judging from the past.

—If anybody thinks farm mutual business profitable let him reflect on the experience of the Ohio Farmers. Last year, with \$522,912 premiums, its loss ratio was 78 per cent.; in the previous year it was 71 per cent; in the past ten years it has averaged over 84 per cent. of the premiums.

—Reinsurance policies must be stamped. Policies issued before July 1, but going into effect after that date, must be called in and stamped, otherwise they are not competent evidence in court. The New York collector is of opinion that stamps will not be required on binding slips, and that rebates for erroneously canceled stamps will be allowed.

TO LEADING COMPANIES.—First class Insurance Collector and Solicitor, controlling fair amount of Fire and Marine Business, among influential connection, and qualified to act as "special," desires a change of engagement. Is open to identify himself and connection with a leading office. Others will please not reply. Inquiries treated strictly in confidence. Address first instance "Special," 2226 Buena Vista Ave., Alameda, Cal.

Telephone Main 1100.

DAVIS & HENRY,



General
Insurance
Agents

215 Sansome St.,

San Francisco.

CALIFORNIA BRANCH . . .

EQUITABLE

Life Assurance Society of the United States.



Assets over - - \$236,000,000.00

Net Surplus over - - \$ 50,000,000.00



THE EQUITABLE has Largest Net Surplus
and Issues Most Liberal Contracts.

Satisfactory contracts can be made by reliable men to act as Special, District or Local Agents. Local Fire Insurance Agents can materially increase their income by representing the EQUITABLE. Apply to

A. M. SHIELDS, Manager,

Crocker Building,

SAN FRANCISCO.

—Welcome to Hawaii!

—The more losses the more business.

—F. A. Conover of Conover & O'Brien, general insurance agents in San Diego, has been spending a few weeks in the city.

—Secy. George W. Reed of the National Life of Vermont died on July 4th. He had been secretary for forty-five years. Mr. Reed was a lovable, educated, cultured gentleman.

—Special agents should urge local agents to be candidates for the legislature. The average local is well qualified for the place, and is in close touch with business and farming interests.

—"Liquid Air, Newest Wonder of Science," is described and illustrated in the June *Cosmopolitan*, by Chas. E. Tripler, the experimenter. A cubic foot of liquid air is 800 cubic feet of air compressed. It can be carried about in a tin can. The temperature is over three hundred degrees below zero. The first ounce of liquid air cost an English laboratory \$3,000. It can now be produced cheaply. Liquid air seems to have great commercial possibilities. It is a refrigerator, an explosive and a motive power. Aerial navigation needs only a light, strong and safe motor, and it is believed that liquid air solves the difficulty. It is possible, too, that the commercial use of liquid air will increase the hazards of fire and explosion, which is something for fire and liability underwriters to think on.

—A. K. Whitton of the firm of Wooster & Whitton, agents of the Hamburg-Bremen Ins. Co. at San Jose, has been appointed Major of the 8th California U. S. Vol. Maj. Whitton is a prominent citizen of San Jose and goes to the front with the best wishes of a host of friends in California.

—W. B. Westlake, for several years past special agent for the Home Mutual Ins. Co., has resigned his position. Mr. Westlake will, after a few weeks vacation, be pleased to make a contract with any of our fire offices to do special work in California or any other territory on the Coast.

—"Departure of the (Massachusetts insurance department) corps deputed to examine the Mutual Life Ins. Co. of New York," by an Impressionist, in *Weekly Statement*, is an amusing sketch which has only one fault. The ladies composing the corps are exactly thirteen in number. This is too much for our credulity.

THE

Union Central Life

INSURANCE COMPANY,
Cincinnati, O.

ASSETS, Jan. 1, 1898 - \$18,705,130.31

SURPLUS, 4% Standard - \$ 2,611,370.91

Total Amount Insured - \$106,517,344.00

No Fluctuating Securities

Largest Rate of Interest

Lowest Death Rate

*Endowments at Life Rates and Twenty
Payment Guaranty Policies
Specialties.*

Large and Increasing Dividends to Policyholders
DESIRABLE CONTRACTS and

Good Territory open for LIVE AGENTS.

Address JOHN M. PATTISON, President, or
G. C. PRATT,

Manager Pacific Coast Depart't

405 Montgomery Street

San Francisco.

The.....Merchants Insurance Company

OF NEWARK, N. J.
ORGANIZED 1858

Cash Capital \$ 400,000
Assets 1,640,415
Surplus to Policyholders 791,251

PACIFIC DEPARTMENT:

GEO. W. MCNEAR

General Agent.

WILLARD O. WAYMAN - Manager

M. H. THOMSON - - - Special Agent

Offices:—308 SANSOME STREET—San Francisco

THE COAST REVIEW.

OUR PACIFIC COAST INSURANCE DIRECTORY.

Fire and Marine Insurance Agencies.			Fire and Marine Insurance Agencies.		
Phone	General Agents and Companies.	Address.	Phone	General Agents and Companies.	Address.
548	Baggs & Stovel	213 Sans.	1991	Fireman's Fund Ins. Co.	401 Calif.
	American, Boston		1034	Folger, Herbert	325 Calif.
	Mercantile, Boston			Phoenix, Hartford	
5107	Bailey, James D.	412 Calif.	1015	Fowler, W. H. C.	210 Sans.
	Ins. Co. North America			Austrian Phoenix	
334	Balfour, Guthrie & Co.	316 Calif.	1632	Grant, Geo. F.	221 Sans.
	(A. H. Small, Manager)			London Assurance, London	
	British & Foreign Marine			Northern Assurance, London	
	Yangtze, Shanghai		71	Grant, Tom C.	212 Pine
354	Belden, H. K.	313 Calif.		North British & Mercantile	
	Hartford Fire			Greenwich, N. Y.	
	N. Y. Underwriters Agency			Graves, D. W. (Special Agent) .	302 Pine
272	Bertheau, Cesar	423 Calif.		Continental, New York	
	Hanover, N. Y.		288	Gutte & Frank	303 Calif.
	Aachen & Munich Fire			Magdeburg, Germany	
427	Boardman & Spencer	514 Calif.		Wilhelma, Germany	
	Ætna, Hartford			Kosmos, Hamburg, Germany	
5414	Bromwell, L. L.	410 Calif.		Associated Assurance Cos.,	
	Milwaukee Mechanics, Wis.			Germany	
1842	Brown & Son, Edward	407 Montg		Hall, Edward	
	American, Phila.			Royal Exchange	
	Svea, Sweden			Portland, Or.	
	Agricultural, N. Y.		38	Harrison, Wm. Greer	305 Calif.
684	Butler & Haldan	413 Calif.		Thames & Mersey Marine	
	Phoenix, London		666	Haven, Chas. D.	422 Calif.
	Providence-Washington, R.I.			Liverpool & London & Globe	
1466	Callingham, W. J.	420 Calif.	1184	Herold, Jr., Rudolph	415 Calif.
	Sun, London			Hamburg-Bremen	
	Orient, Hartford		1086	Home Mutual Ins. Co.	318 Calif.
680	Catton, Bell & Co.	406 Calif.		Lamey, H. T.	
	Union Assurance, London			British America	
	Law Union & Crown			Western, Denver, Col.	
195	Christensen, Chas.	317 Calif.	336	Landers, William J.	205 Sans.
	American-Central, St. Louis.			Imperial, London	
	St. Paul. F. & M.			Lion, London	
	Coleman, J. D.		396	Laton, Chas. A.	439 Calif.
	Home, New York,			Palatine, Eng.	
	Portland, Or.			Traders, Chicago	
5968	Davis & Son, J. B. F.	208 Sans.	1597	Loaiza, W. & Co.	216 Sans
	Standard Marine, Liverpool			Prussian National	
433	Davis & Watson.	221 Sans.		Niagara	
	British America		5710	Lowden, W. H.	308 Pine
	Western, Toronto			Norwich Union	
1100	Davis & Henry	215 Sans.	746	Macdonald, William	315 Montg
	Victoria, N. Y.			London & Lancashire, Eng.	
	Greenwich, N. Y.			Norwalk Fire	
1886	Devlin, Frank J.	309 Sans.		English-Am. Underwriters	
	Atlas, London		720	Manheim, Dibern & Co.	217 Sans.
689	Dickson, Frank W.	501 Montg		Scottish Union & National	
	Royal Exchange, London		169	Maun & Wilson.	322 Calif.
822	Dornin, George D.	409 Calif.		Lancashire, Eng.	
	National, Hartford			Teutonia, New Orleans	
	Springfield, Mass.			St. Paul (Marine)	
5817	Driffeld, V. C.	213 Sans.		La Fonciere Marine	
	Transatlantic, Hamburg			L'Universo Marine	
	Hamburg Underwriters		538	Maxwell, J. D.	421 Calif.
1991	Dutton, Wm. J.	401 Calif.		Continental	
	Ins. Co. State of Penn., Phila.		5639	Medcraft, R. C.	319 Calif.
	Rhode Island Underwriters			Scottish Union & National	
	Boston Marine				
201	Edwards, L. B.	323 Calif.			
	American, N. J.				
	Manchester, England				
	Caledonian, Edinburgh				

THE COAST REVIEW.

OUR PACIFIC COAST INSURANCE DIRECTORY

Phone	General Agents and Companies.	Address.	Phone	General Agents and Companies.	Address.
649	McNear, Geo. W. Merchants, N. J.	308 Sans.	1376	Forbes & Son, A. B. Mutual Life, N. Y.	Mutual Life Bldg
1724	Mitchell, Geo. M. Westchester, N. Y. Home, N. Y.	210 Sans.	699	Garniss, Jas. R. American Surety, N. Y.	219 Sans.
1554	Mullins, C. F. Commercial Union, Eng. Commercial Union, N. Y. Alliance, London	416 Calif.	5577	Gilbert, Frank L. Fidelity and Deposit Baltimore	208 Sans.
5582	Pope, T. Edward Pennsylvania Union, Phila.	436 Calif.	1384	Godwin, Thos. Preferred Accident, N. Y.	Mills Bldg
5136	Potter, Ed. E. Franklin, Phila. Williamsburg City, N. Y.	508 Calif.	766	Harmon, Jr., A. K. P. Connecticut Mutual Life, Hartford	Mills Bldg
1724	Roff, H. L. Home, N. Y.	210 Sans.	Red 2331	Houghton, H. B. Etna Life (& accident) Conn.	Safe De- posit Bldg
5024	Shankland, T. C. Fire Association, Phila.	219 Sans.	1684	Jacobs, W. A. Germania Life	Mills Bldg
5976	Smith, B. J. Connecticut, Hartford	411 Calif.	5296	Kilgarif & Beaver Pacific Mutual Life	506 Montg
Green 621	Speyer, Walter North German, Germany Hamburg Underwriters	225 Sans.	Brown 223	Landers, John Manhattan Life, N. Y.	240 Montg
5810	Syz & Co. Helvetia Swiss Baloise, Switzerland Swiss Marine Combined	301 Calif.	Blk 2311	Leavitt, W. C. Union Mutual Life, Me.	419 Calif.
1990	Tannhauser & Co. Transatlantic Marine	311 Calif.	1597	Loaiza, W. & Co. Union Casualty & Surety Co.	216 Sans.
321	Thomas, W. P. New Zealand, Auckland	312 Calif.	1696	McLane, Chas. New York Life, N. Y.	Mills Bldg
5359	Tyson, Geo. H. German-American, N. Y. United States, N. Y. German Alliance, N. Y.	435 Calif.	169	Mann & Wilson Hartford Steam Boiler Metropolitan Plate Glass	322 Calif.
5577	Voss, Conrad & Co. Thuringia, Germany Frankfort Marine Bavarian Lloyd Marine	204 Sans.	538	Maxwell, J. D. New York Plate Glass U. S. Casualty	421 Calif.
113	Watt, Rolla V. Royal, Liverpool Queen, N. Y.	Royal Ins. Bldg.	5921	Munsell, Jr., Jas. Mutual Benefit Life, N. J.	503 Calif.
			5393	North, Geo. L. Provident Savings, N. Y.	Spreckels Bldg

San Francisco Life, Accident and Miscellaneous Agencies.

Phone	General Agents and Companies.	Address.	Phone	General Agents and Companies.	Address.
329	Borland, James H. National Surety Co.	Spreckels Bldg	1015	Okell, Chas J. & Co. Employers' Liability, London	401 Calif.
5017	Briggs, Clarence F. Standard Life and Accident	307 Calif.		Osborne, Jas. S. Phoenix Mutual Life	Spreckels Bldg.
195	Christensen, Chas. Lloyds Plate Glass, N. Y.	317 Calif.	750	Pacific Mutual Life, S. F.	506 Montg
5683	Day, James B. Washington Life	Safe De- posit Bldg	621	Pacific Surety Co., S. F.	320 Montg
902	Delger & McCargar Bankers Life Association.	Spreckels Bldg	699	Pardee, S. C. Fidelity & Casualty, N. Y.	Mutual Life Bldg
5244	Dunphy, W. H. Home Life, N. Y.	Parrott Bldg	Green 31	Parker, C. M. T. Massachusetts Mutual Life	214 Pine
1703	Field, H. K. New England Mutual Life	Mills Bldg	5011	Pratt, G. C. Union Central Life, Cincinnati	405 Montg
	Finnegan, John E. Travelers, Hartford	Mills Bldg	970	Shields, A. M. Equitable Life	Crock'r Bldg
			5161	Smith, Clarence M. Northwest'n Mut., Milwaukee	Phelan Bldg
			1739	Stolp, G. M. National Life, Vt.	Crock'r Bldg
			5577	Voss, Conrad & Co. Frankfort Acci. & Plate Glass	204 Sans.

THE COAST REVIEW.

Our Directory of Pacific Coast

Field Men.

Attached Field Men.

Aachen & Munich.

A W Thornton, San Francisco
Alfred R Grinn, San Francisco
Wm B Streeter, Portland, Oregon

Atlas Assurance.

W W Alverson, San Francisco
C E Schlingheyde, Los Angeles
William Manning, Denver, Col.

Etna.

Ed C Morrison, San Francisco
Louis Mel, San Francisco
W L Gazzam, Seattle, Wash.
T D Boardman, Seattle, Wash.

Baggs & Stovel Agency.

C W Smith, San Francisco

British America and Western.

H W Fores, San Francisco
W L W Miller, Denver, Colorado
A A Crandall, Portland, Oregon
H J Schaeffer, Spokane, Wash.
R H Magill, Oakland, California

Edw. Brown & Son, Gen'l Ag'ts.

Wm H Hill, San Francisco
E J Lowery, San Francisco
H H Brown, San Francisco
N B Whitley, Seattle, Washington
W H Gibbons, Salt Lake City, Utah

Butler & Halldan Agency.

B C Dick, San Francisco
B B Broonnell, Tacoma

Continental.

D W Graves, San Francisco
Walter J Wilson, Portland, Oregon
C R Tuttle, Denver, Colorado
A A Maloney, Los Angeles

Commercial Union and Alliance.

W R Heath, San Francisco
A T Von Etlinger, Portland, Or.
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W A Jackson, Los Angeles

Connecticut.

Guy Francis, San Francisco
E J Sharpley, Los Angeles
James S Reed, Portland, Oregon
Frank G Smith, Sacramento

Chas. Christensen's Agency.

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Ernest C Johnson, Los Angeles
S B Morse, Portland, Oregon

L. B. Edwards, Manager.

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Geo A Crux, Portland, Oregon
Chas A Gilbert, Los Angeles

Firman's Fend.

R D Hunter, San Francisco
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F G White, Denver, Colorado
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R P Fajl, Sherlock Bldg., Port., Or.
G H Mendell, Jr., Salt Lake

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Hamburg-Bremen.

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John M Holmes, San Francisco
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Thomas J Conroy, Portland, Or.
J J Dennis, Salt Lake City

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R P Fajl, Portland, Oregon
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Chas C Echlin, San Francisco
C P Lyndall, Los Angeles

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A G Riddling, San Francisco
Junius Young, Salt Lake City
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John H Burgard, Portland, Oregon
G C Holloway, Los Angeles

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W A Matthews, San Francisco
W B Foster, San Francisco
W H Raymond, Portland, Oregon
Toll Thompson, Portland, Oregon
Maj W H Bonsall, Los Angeles

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C O Scott, San Francisco
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A E Bailey, Seattle, Washington

Lancashire.

Walter M Speyer, San Francisco
D W Pierce, Los Angeles
F M Branch, Portland, Oregon

Liverpool & London & Globe.

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Edw G Sprowl, Tacoma, Wash.
John W Gunn, Salem, Oregon

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W S Berdan, Jr., Cham. Com., Port.

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North German.

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Phoenix, Hartford.

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W C Calder, Portland, Oregon

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Edward E. Potter, Manager.
T M Swyncey, San Francisco
Charles A Layug

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THE COAST REVIEW

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No. 2

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THE LAW.

Our Digest of Recent Insurance Decisions.

Fire.

Insurance Agents and Brokers.

Knowledge of the local agent of an insurance company is, in law, the knowledge of the principal. *Horton v. Home Ins. Co.*, 29 S. E. 944.

Cancellation.

A statute providing that a policy may be canceled at any time at the request of the insured and requiring the insurer to return the unearned premium, does not give one a right of action for unearned premium, who, by taking additional insurance without the consent of the first insurer, has forfeited his policy in the first company. *Farmers Mut. Ins. Co. v. Home Fire Ins. Co.*, 74 W. W. 1101.

Fraud or Breach of Warranty.

In answer to a question in the application, insured said he was not afraid of incendiarianism. Held, that the fact that he failed to state that there had been a previous attempt to burn his property, and that on that account a policy had been canceled, was not such concealment as to avoid the policy. *Home Ins. Co. of New York v. Feyerabrud*, 52 P. 899.

Where party applying for insurance fails to inform the agent that he already has taken out insurance on the property, if such insurance already taken out is void, this fact will not avoid the second policy. *Wolpert v. Northern Assur. Co.* 29 S. E. 1024.

Matters Relating to Property Insured.

A condition, avoiding a policy on a hotel if premises should be occupied or used so as to increase the risk by any means whatever "within the control of the assured" or if the assured should keep benzine there, is not broken by the act of an agent of the lessee of the hotel in taking benzine there for his own purposes, not connected with the running of the hotel. *Gunthri v. Liverpool & London & Globe Ins. Co.*, 85 F. 846.

An agreement in application for insurance of mill property "to keep a watchman on the premises at all times when the mill is not in operation," is not violated where the watchman was in a tent about 200 feet from the building for a couple of hours preceding the breaking out of the fire. *Kansas Mill Owners' and Manufacturers Mut. Fire Ins. Co. v. Metcalf*, 53 P. 68.

Fact that property insured has been assigned by deed of trust, is not inconsistent with sole ownership thereof nor does it make the cestui que trust a joint owner. *Wolpert v. Northern Assur. Co.*, 29 S. E. 1024.

Forfeiture of Policy.

Property of wife being insured was burned. In action on policy she testified falsely concerning a list of articles alleged to have been burned, as she also did in

her proofs of loss, and also denied knowledge of her husband's guilt. Upon his trial for arson she confessed her perjury. Held, on a new trial on policy, that her false swearing avoided the policy, regardless of her intent to defraud. *Ellis v. Agricultural Ins. Co.*, 7 Pa. Super. Ct. 264.

Fact that, at time of fire, insured's tenant had only removed a portion of his furniture from the premises, is sufficient to support a verdict finding that the policy had not been forfeited by premises becoming unoccupied. *Omaha Fire Ins. Co. v. Suinott*, 74 N. W. 955.

Fact that a company, through mistake, has paid for a loss not included in its policy, will not permit another company having a policy on the property for the loss of which said payment was made, to claim a forfeiture of its policy because of double insurance on said property. *Home Fire Ins. Co. v. Deets*, 74 N. W. 1088.

Insured property is conveyed to another and purchase price secured to render by rendor's lien notes, rendor's lien and a deed of trust, the tenant of rendee paying rent to rendor which was applied to purchase price. Held, insurer not responsible for loss occurring after transfer, not consenting thereto, where policy contained a provision that no change should take place in possession or interest of property without written indorsement on policy. *Northern Assur. Co. of London, England v. City Sav. Bank*, 45 S. W. 737.

It is not necessary for an insurer to say or do anything in order to be entitled to the benefit of a forfeiture of its policy until suit thereon, provided the insured, under the circumstances could not reasonably infer therefrom that the insurer did not intend to insist or rely on it. *Sun Mutual Ins. Co. v. Dudley*, 45 S. W. 539.

Where a forfeiture of policy is to take place upon transfer of property insured, and company agrees to transfer upon certain conditions, this is not a waiver of forfeiture where the conditions are not fulfilled. *Hubert v. Southern Live Stock Ins. Co.*, 29 S. E. 938.

A provision in a policy that it shall be void if interest of insured is other than unconditional and sole ownership is waived where company had knowledge at time of issuing policy that building insured was on leased ground and declaration of ownership by insured must be taken as a description of his insurable interest in the building. *Van Taceel v. Greenwich Ins. Co.*, 51 N. Y. S. 79.

The failure of an insurance company within a reasonable time to notify insured of its intention to cancel policy, is evidence tending to show a waiver of forfeiture.

A policy provided that it should be void "if with the knowledge of the insured, foreclosure proceedings be commenced, or notice given of sale of any property covered by this policy by virtue of any mortgage or trust deed"; also that unearned premium should be returned upon cancellation. On July 5, trustees under a trust deed advertised property for sale, and on Aug. 7, before the sale, property burned. Assured had no knowledge of advertisement until a short time before the fire. Resident agent of insurer also saw advertisement before the fire. No part of unearned premium was ever tendered to assured. Held, insurance company was liable for loss.

The conditions in a policy of insurance working a forfeiture, are matters of contract and may be waived by insurer; and such waiver may be presumed from acts of local agent. *Horton v. Home Ins. Co.*, 29 S. E. 944.

If an insurance company elects to issue its policy without any regular application or without any representation in regard to the title to the property to be insured, it cannot complain, after a loss has occurred that the interest of the insured was not correctly stated in the policy or that an existing encumbrance was not disclosed. *Wolpert v. Northern Assur. Co.*, 29 S. E. 1024.

Extent of Loss.

Total destruction of a building means its complete destruction so that nothing of value remains and so that, though the materials of which the building was composed be not utterly destroyed or obliterated, and though part of the building be left standing, it has lost its character as a building, and has become instead a broken mass. *Corbett v. Spring Garden Ins. Co.*, 50 W. E. 282, 155 N. Y. 389.

Life and Accident.**Insurable Interest.**

One living with a person as his wife, though she is not such, has an insurable interest in him. *Lampkin v. Travelers' Ins. Co.*, 52 P. 1040.

Construction and Operation of Contract.

Legal representatives in a policy of insurance ordinarily means executors or administrators when not qualified by the context, but it may be shown to mean next of kin or successors or assigns. *Pittel v. Fidelity Mut. Life Ass'n of Philadelphia*, 86 F. 255.

A provision in a policy excepting death or disability happening in consequence of voluntary exposure to unnecessary danger is not repugnant to a "blanket provision" that the insurance shall cover any of those accidental injuries common to all men, not specially excepted in the policy. *Metropolitan Acc. Ass'n v. Taylor* 71 Ill. App. 132.

A life insurance policy issued in Alabama, to a resident of that State, by a company whose home office is in New Jersey, is governed by the laws of Alabama. *Roberts v. Winton*, 45 S. W. 673.

Premiums.

An insurer's agent, authorized to collect premiums, acts within the apparent scope of his authority in telling insured to have the premium ready for him when he should call for it, and that, if he failed to call within 30 days after it was due, it would not affect the policy, though the policy stated that agents were not authorized to extend time of payment of any premium. *Dunn v. National Life Ins. Co.*, 39 A. 1075.

Assignment or other Transfer of Policy.

An assignment of policies on his wife's life, made by an insolvent father to his son, is not necessarily fraudulent. Duty of providing for one to whom insolvent beneficiary in a policy assigns his interest is a sufficient consideration to support the assignment. *Sebring v. Brickley*, 7 Pa. Super. Ct. 198, 48 W. N. C. 189.

Matters Relating to Person Insured.

Statement by applicant in application that she had consulted no physician, is a breach of warranty to make full and true answers, when in fact she had had consumption for a year and had been attended by a physician for more than two months. *Sladden v. New York Life Ins. Co.*, 86 F. 102.

Statement in application for accident insurance, "write policy payable to L. whose relationship to me is that of wife." Held, not a warranty that L. was his wife, but merely a description of the person. *Lampkin v. Travelers' Ins. Co.*, 52 P. 1040.

A warranty in an application for life insurance avoids the policy where all the representations are not substantially true, whether they are material or not. *Clements v. Connecticut Indemnity Co.*, 31 N. Y. S. 442.

Forfeiture of Policy.

Where a contract of life insurance stipulates that, if all payments or notes are not paid when due, this contract shall become null and void, a failure by insured to pay, on or before its maturity, a promissory note given for first premium worked a forfeiture of the policy. *National Life Ass'n of Hartford, Conn. v. Brown*, 29 S. E. 927.

Credit extended to insured for a premium is as effectual as actual payment in infusing life into the policy. *Union Life Ins. Co. v. Haman*, 74 N. W. 1090.

A company by levying another assessment against a member for a subsequent period, after learning that he is delinquent in the payment of previous assessments, waives its right to declare a forfeiture of the contract for such delinquency. *Modern Woodmen of America v. Anderson*, 71 Ill. App. 351.

A provision in an accident policy that if injuries are sustained while riding "in a passenger conveyance," etc., the specified payment shall be doubled, does not apply to one riding on car platform. *Ætna Life Ins. Co. v. Vandrear*, 86 F. 282.

An exception as to injuries received by insured while "walking on the roadbed of any railroad," includes running, using roadbed as a footpath, or stopping on it in the course of such use, with the intention of continuing the journey thereon.

Where policy provides that there shall be no liability where death or disability results from voluntary exposure to unnecessary danger, the insurer is not liable where insured sat down on track of a railroad in active operation and was run over and killed. *Metropolitan Acc. Ass'n v. Taylor*, 71 Ill. App. 132.

Where a life insurance policy contains no stipulation as to suicide, and is taken out in good faith, it is not avoided as against the beneficiary by fact that assured while sane

purposely took his own life. *Seiler v. Economic Life Ass'n of Clinton*, 74 N. W. 941.

Proof of loss is waived by refusal to pay accident insurance on ground of misrepresentation in the policy. *Lampkin v. Travelers' Ins. Co.*, 52 P. 1040.

The requirement in an accident policy that immediate notice shall be given of "any accident and injury for which a claim is to be made" must be complied with even when death ensues and notice from beneficiary 29 days' after knowledge of accident causing insured's death was insufficient. *Foster v. Fidelity & Casualty Co. of N. Y.*, 75 N. W. 69.

Where the insured had no wife and children, and designated that his beneficiaries under an accident policy should be his "legal heirs," the creditors have no claim, but the whole fund will go to the next of kin, as determined by the statute of descents. *In re Andress' Estate*, 5 Ohio N. P. 253.

Where the insured desired to change the beneficiaries in a life policy and did everything on her part to make the change, but, through the company's negligence, no change was recorded on its books when she died, the company will be estopped from setting up illegality of change because it had not consented thereto. *John Hancock Mut. Life Ins. Co. v. White*, 40 A. 5.

Deceased paid premium on a life policy with a worthless check. After his death, check was paid by his uncle, agent having kept the check. Held, in view of the fact that no property of deceased was diverted to payment of the premium, his creditors could not subject money paid on the policy to the beneficiaries to the payment of their claims. *Roberts v. Winton*, 45 S. W. 673.

A stipulation in a policy that legal proceedings to recover thereon must be brought within six months from death of assured is valid and no action will lie eleven months after death. *Griem v. Fidelity & Casualty Co.*, 75 N. W. 67.

The beneficiary named in a benefit certificate cannot be changed by will when no such authority is given by its provisions. *Schardt v. Schardt*, 45 S. W. 340.

Intemperance.

An assured in an application for life insurance falsely represented that he had always been temperate, and never had used liquors except two or three glasses of beer a day.

The application further stipulated that no verbal statement should modify the contract unless reduced to writing, and presented to and approved by the officers of the association, and that if any concealment or untrue statement was made therein, then the policy and this contract should be ipso facto void. This application was signed by the assured, and by the terms of the policy which he accepted it was made a part of it. Held, in an action on the policy, that defendant was not bound by verbal statements made by the assured to its agent, not appearing in the application, showing the truth in regard to his drinking habits.—*Hamilton v. Fidelity Mut. Life Ass'n*, 50 N. Y. S. 536.

Change of Beneficiary.

Insured's policy permitted her to change the beneficiary, with insurer's consent obtained from its president or secretary. She executed a paper necessary for such change, and delivered it to insurer's solicitor, who told her that "it was all right," and two days thereafter she died. In the meantime the paper had been mailed to the home office, and was from there promptly returned to the local superintendent with various questions about it, but without the signature of the president or secretary, and was received by the superintendent after insured's death. Held, that the beneficiary was not changed. *Tillman v. John Hancock Mut. Life Ins. Co.*, 50 N. Y. S. 470.

Disease Caused by Accident.

If a disease resulting in death is the effect of an accident, so as to be a mere link in the chain of causation between the accident and the death, the death is attributable, not to the disease, but to the accident alone.—*Western Commercial Travelers' Ass'n v. Smith*, 85 F. 401.

Not Erroneous.

In an action on a policy insuring against injuries caused by horses or vehicles used by the insured, it was contended that the policy had been avoided because the insured had used more vehicles than the policy permitted, and the evidence was conflicting as to whether a certain vehicle was used by insured in his business. The court instructed that the use of the vehicle by the insured in going to his store, and from his store to the bank, was not necessarily a use of the vehicle in his business, and that there was no evidence except that he went to the bank; that his purpose in going did not appear; and that it devolved

on defendant to show his purpose. Held, that such remarks were not erroneous as tending to prejudice the jury.—*Gray v. Standard Life & Accident Ins. Co.*, 49 N. E. 921.

Fraternal Assessments.

In an action on a certificate for \$3,000 issued by a fraternal benefit association, it cannot urge that said certificate limits the amount payable to the proceeds of an assessment of \$2 per member, and that there is a question whether thereby such sum could be realized, where Comp. St. c. 43, § 110, under which it was organized, forbids it to issue a certificate of over \$1,000 if it has not a membership of 2,000.—*Modern Woodmen Acc. Ass'n v. Shryock*, 74 N. W. 607.

Notice.

An accident policy provided that, in case of "any accident or injury for which any claim shall be made under this certificate, or in case of death resulting therefrom, immediate notice shall be given in writing," with full particulars of the accident, and that a failure to give such notice should invalidate the claim. Held, that two classes of notices were intended—one an immediate notice of the accident or injury when not resulting in death, and the other an immediate notice of death resulting from accident or injury, the latter to be given by the beneficiary; and that a notice so given in the latter case was sufficient, though no notice of the injury was given before death.

Guaranty and Indemnity.

Notice.

If a bond of fidelity insurance is fairly and reasonably susceptible of two constructions, that most favorable to the insured must be adopted, as bond was drawn by company.

A provision in a fidelity insurance bond that the insuring company shall be notified of any act by the employe which may involve a loss for which the company is responsible "as soon as practicable after the occurrence of such act shall have come to the knowledge of the employer," does not require notice unless employer had knowledge, not simply suspicion of the existence of facts which would justify a prudent man in charging another with dishonesty.

Where bond provided that insurer would be liable for loss, etc., discovered within six months from "death or dismissal or retirement of employe from service of employer." Held, that mere suspension of a national bank, and the taking possession thereof by an exam-

iner, did not effect the "retirement" of the cashier; but where he actually continued to render service he must be deemed to have remained in the service of his employer, at least until the appointment of a receiver by the comptroller. *Am. Surety Co. of N. Y. v. Pauly*, 18 S. Ct. 563, 170 U. S. 160.

Prorating.

A provision in a policy of insurance against losses from insolvency of those to whom the insured should sell goods to a certain amount required that "all statements accepted, amounts paid, accrued or guaranteed, or in process of collection, on any claim, at the time of final proof of loss shall first be deducted and prorated on shipments made under this bond." Held, that this does not require prorating where the entire debt was for goods shipped during the term covered by the policy.

Commission Merchant.

One insured against losses arising from insolvency of his debtors, may deduct his commission for selling goods in his hands belonging to the debtor before applying the proceeds on the debt. *Talcott v. National Credit Ins. Co.*, 51 N. Y. S. 84, 28 App. Div. 75.

FIRE.

Chemical Extinguishers.

TEST THAT FAILED.

In order to show the value of the extinguisher being tested, the inspector of the local underwriters' association present arranged the test as follows: A wooden box constructed to resemble a wardrobe in a dwelling, but without doors, was filled with old clothing—both cotton and woolen, suspended from a shelf, additional clothing being piled on the shelf, no oil or other inflammable matter being used. When the clothing was ignited and the fire well under way, the expert of the extinguishing company present was directed to attack the fire. About a dozen extinguishers were used at very close quarters without having a very decided effect on the fire, which was not extinguished until the clothing had been consumed. While one extinguisher was sufficient to extinguish a fire with flame nearly twenty feet high, the attempt to extinguish burning clothing in the open air where it was possible to fight the fire at close quarters proved a failure. If the

burning clothing had been in a room with no chance for the stifling smoke to escape, the result would necessarily have been even a greater failure.

It has been claimed by some that ordinarily a fire extinguisher containing chemicals in solution is valuable only to the extent of the water contained therein. A recent test of a chemical attachment to fire buckets seems to substantiate this claim.

SUCCESSFUL CHEMICAL EXTINGUISHING.

In all large cities where carbonic acid gas extinguishers are a part of the regular equipment of the fire department, either as portable extinguishers in connection with patrol wagon or hook and ladder companies, or as chemical engines, the results achieved are very gratifying. In Philadelphia during the years 1896 and 1897, fully twenty-five per cent. of all fires were extinguished by chemical engines. In this city the percentage is even larger. In suburban towns, villages, and isolated country properties, a chemical extinguisher, either portable or on wheels is of greater value than all other apparatus. In answer to queries sent to chiefs of fire departments throughout the United States, it is shown that in various cities from twenty-five to eighty per cent. of all fires were extinguished by carbonic acid gas without the use of water.

Now that automatic fire alarms are coming more generally into use, both in cities reporting to a central station and in isolated risks reporting to the house of the manager or superintendent, so that a fire can be attacked in a very short time after starting, the carbonic acid gas extinguisher quickly handled, effective in its work and causing the minimum damage to property by reason of water used on the fire, is of the greatest value.

Unfortunately, there is a limit to the effectiveness of chemical fire engines when called upon for use in our modern "skyscrapers." A stream from the chemical engine on the pavement can only be carried to a height of one hundred and thirty to one hundred and fifty feet. It is therefore desirable to provide stationary or portable extinguishers for use in the upper stories of our high buildings. Stationary carbonic gas engines, so arranged that they are available at any story, have come into use, and for high office buildings are undoubtedly of great value.

CHEMICAL SPRINKLERS.

An automatic carbonic acid gas sprinkling device has also been proposed, but has not as

yet been put into practical use. The same may be said regarding a device providing for the discharge of both carbonic acid gas and ammonia gas, stored in liquified state, and released automatically in case of fire. While experiments have been made with these devices, they have not had the actual fire test. It has also been suggested that the stream from the ordinary steam fire engine be charged with a fire extinguishing salt on its way to the fire. An apparatus for this purpose has been constructed and tested, but has not as yet been perfected.

A carbonic acid gas machine arranged to discharge dry carbonic acid gas or a chemical stream, and intended for use on electrical fires when it is desirable to extinguish the fire without the use of water, has recently been brought to my attention.

Underwriters' associations, with their usual conservative and careful consideration of new devices, have been very slow in recognizing the value of the carbonic acid gas machines, preferring to make allowances for water buckets; few associations taking action and recognizing one three-gallon extinguisher as the equivalent of six water buckets. This

ATTITUDE OF THE UNDERWRITER

is largely due to the usual apathy of the general property-owner to the care of fire extinguishing devices, after they have had the desired effect on his rate of insurance. A chemical fire extinguisher, to be of value, must be periodically examined to determine whether it is in working order, and at least once in every six months should be discharged and recharged. The cost of recharging a three-gallon extinguisher is about seven cents. Discharging the extinguisher at stated intervals also familiarizes the employes with its use.

Chemical fire buckets, being ordinary fire buckets filled with water in which one or more of the chemicals mentioned are dissolved and provided with a paraffine paper or sheet lead cover easily broken, have been in use for some time in factories and other risks, and have given fairly satisfactory results, as they could not be used for other purposes than for extinguishing fire, and as they needed less attention than ordinary buckets.

In practice, I have frequently recommended the use of barrels of water in which a quantity of lime has been slacked, and in which a considerable quantity of common salt had been dissolved, as a very efficient fire extinguishing liquid for use with the ordinary fire bucket. This solution does not readily

freeze in winter or foul in summer, and can therefore be kept for a long time.

What to consider a satisfactory fire test of a chemical extinguisher is difficult to decide. The regulation tests known to all are of little or no value, as they present but one kind of fire, and that the one most easily extinguished. The only practical test I can recommend is to place the extinguisher to be tested in the hands of experienced firemen connected with some city fire department for general use. If, after a trial of six months or more the extinguisher has shown good results, not only as to fire extinguishing qualities but also as to general conditions, such as deterioration of contents, corrosion of vessel containing the extinguishing fluid, etc., it may merit more careful consideration by the fire insurance engineer. The question of preparing a specification for a standard chemical fire extinguisher is one well worth a special committee of this association. Suffice it to say that in my estimation such an apparatus must be a carbonic gas extinguisher.

CHAS. A. HEXAMER.

Mutual Fire Insurance Companies Which Have Recently Failed.

Dispatch: The receiver of the Inter-State Mutual Fire Ins. Co. of Philadelphia has levied an assessment of one hundred per cent. on the policyholders.

Alliance Mutual, Reading, Pa.
 Associated Manufacturers Mut. Moline, Ill.
 Atlantic Mutual, Providence (re-ins.)
 Atlantic Mutual, Philadelphia.
 Atlantic Mutual Fire, Atlantic City, N. J.
 Atlas Mutual Fire, Providence, R. I.
 Athens Mutual Fire, Athens, Ga.
 Aurora Mutual Fire, Philadelphia, Pa.
 Automatic Sprinkler Mut., Penn.
 Bangor Mutual, Maine.
 Bedford Mutual, Bedford, Pa.
 Buckeye Mutual, Shelby, O.
 Builders' Mutual Fire, Philadelphia, Pa.
 Business Men's Mutual Fire, Boston, Mass.
 Cambrian Mutual Fire, Scranton, Pa.
 Capitol, Topeka, Kan.
 Century Mutual Fire, Philadelphia.
 Century Penn. Mutual, Williamsport, Pa.
 Central Mutual, Ft. Wayne, Ind.
 Central Mutual, Boston.
 Chicago Mutual Fire, Chicago.
 Citizens Mutual, Waterloo, Ia.
 City Mutual, Toronto.
 Commerce Mutual, Boston.
 Commercial Mutual, Providence.
 Commercial Fire, Saginaw, Mich.
 Commonwealth Mutual, Philadelphia.

Commonwealth Mutual, Decatur, Ill.
 Consolidated Mutual, Chicago, Ill.
 Continental Mutual Fire, Philadelphia.
 Continental Mutual, Boston.
 Detroit Residence Mutual, Detroit, Mich.
 Detroit Manufacturers, Mich.
 Eastern Mutual, Philadelphia.
 Eastern Mutual, Boston.
 Electric Mutual, Boston (re-ins.)
 Erie, Sandusky, O.
 Excelsior Mutual, Boston.
 Factory Mutual Fire, Philadelphia.
 Fairmount Fire, Philadelphia.
 Farmers Mutual of Middle Penn., Sunbury.
 Franklin Mut., Greenfield, Mass. (re-ins.)
 Garden City Mutual, Chicago.
 Georgia Mutual Fire, Atlanta, Ga.
 Germania Mutual, Philadelphia.
 Grocers Mutual, Philadelphia.
 Hope Mutual, Philadelphia (re-ins.)
 Hudson River, Jersey City, N. J.
 Industrial Mutual Fire, Providence, R. I.
 Industrial Mutual Fire, Philadelphia.
 Inter-State Mutual, Philadelphia.
 Iron City Mutual Fire, Pittsburgh, Pa.
 Kansas Home, Topeka, Kan.
 Kittanning, Kittanning, Pa.
 Lumberman's & Manufact's, Eau Claire, Wis.
 Manufacturers' Mutual Fire, Atlanta, Ga.
 Manufacturers & Merchants, New Hamp.
 Manufacturers Mutual, Batavia, Ill.
 Manufacturers Mutual, Grand Rapids, Mich.
 Manufacturers Mutual, Louisville, Ky.
 Manufacturers Mutual, Milwaukee, Wis.
 Manufacturers Mutual, Akron, O.
 Manhattan Mutual, New York.
 Maine Mut., Augusta, Me. (re-ins.)
 Mechanics' Mutual Fire, Atlanta, Ga.
 Merchants' Mutual, Marshall, Mich.
 Merchants Mutual, Cincinnati (re-ins.)
 Minneapolis Mutual, Minneapolis, Minn.
 Milford Mutual, Milford, Mass.
 Milwaukee Mutual, Milwaukee, Wis.
 Millers Mutual, Wisconsin.
 Mill Owners Mutual, Boston (re-ins.)
 Milton Mutual, Penn.
 Mississippi Valley, Rock Island, Ill.
 Morotock Fire, Virginia.
 Mound City Mutual, St. Louis (re-ins.)
 Monroe County Mut., Penn.
 Mutual Fire, Detroit, Mich.
 Mutual Dwelling House, Lansing, Mich.
 Mutual, Rochester, Minn.
 Mutual Artisans, Muscatine, Ia.
 Mutual Fire, Cincinnati, O.
 Mutual Fire, Louisville, Ky.

Mutual Fire, Eau Claire, Wis.
 Mutual Fire, Chicago, Ill.
 Mutual Fire, Detroit.
 Mutual Dwelling House, Lansing, Mich.
 Mutual Guaranty, Clinton, Ia.
 Mutual Union, Moline, Ill.
 Mutual Security, Goshenville, Pa.
 National Mutual, Akron, O.
 National, West Virginia.
 New England Mut., Boston (re-ins.)
 New York State Mutual, N. Y.
 Niagara Mutual, Philadelphia.
 Ohio Manufacturer's, Columbus, O.
 Old Colony Mutual, Boston, Mass.
 Philadelphia Mut., Penn. (re-ins.)
 Pine Tree Mut., Winona, Minn. (re-ins.)
 Pioneer, Chicago.
 Protective Fire Association, Detroit, Mich.
 Protective Mutual, Providence.
 Queen City Mut., Manchester (re-ins.)
 Rebuilders Mutual, Minneapolis, Minn.
 Real Estate Mut., Philadelphia.
 Reliable Mutual, Philadelphia.
 Reliance Mutual, Chicago.
 Rittenhouse Mutual, Philadelphia.
 Richmond Mutual, Virginia (re-ins.)
 Royal Mutual, Philadelphia.
 Safety Mutual, Sioux City, S. D.
 Southern, Minnesota.
 Sprinkler Mut., Phila. (re-ins.)
 State Mutual, Chicago.
 Steelton Mutual, Pennsylvania.
 Standard Mutual, Boston.
 Standard Mutual, Detroit.
 Tradesmens Mutual Fire, Philadelphia.
 Tri-County Mutual, Saginaw, Mich.
 Underwriters' Mutual Fire, Atlanta, Ga.
 Union Fire, Indianapolis, Ind.
 Union Mutual, Cincinnati, O.
 United Manufacturers (reinsured).
 Virginia Farmers, Norfolk, Va.
 Wachusett Mut., Fitchburg, Mass.
 Washington Union, Ohio.
 Western Mutual Fire, Albert Lea, Minn.
 Western Michigan Mut., Grand Rapids.
 Westford Mutual Fire, Westford, Mass.
 Williamsport Mut., Penn.
 Winthrop Mutual, Boston (re-ins.)
 Wissahickon Mutual Fire, Philadelphia.
 Wolverine Mutual Fire, Saginaw, Mich.

In Argentina.

When the insurance tax bill was under consideration, Deputy Mitre said it was clear, according to taxing capabilities, that the pro-

posed 10 per cent. tax on gross premiums was too small. Statistics, he said, show that the foreign companies never pay more than 75 per cent. for losses and the balance is profit. They are therefore exporters of capital. French companies he praised as colossi of credit, "which come to Argentina without capital, establish an agency, and distribute large dividends to their shareholders." We were on the point of ridiculing this South American legislator, when we reflected with shame that North American legislators and editors (right here in California, too) have exhibited equally gross ignorance. By a vote of 25 to 10 the committee's proposal was approved, and it was agreed that insurance companies of any kind, excepting life, "whose direction (home office) and subscribed capital are not radicated" in Argentina should pay a tax of 10 per cent. of their gross premiums. Domestic companies, rooted and directed in the republic, were taxed 2 per cent.

Here's Richness!

The following advertisement appears in the *Corning* (Cal.) *Observer* of August 6:

...LUMBER...

After our disastrous fire in Corning and while the insurance adjusters were here, the firm of Foster & Woodson, in order to help those who had been unfortunate enough to burn out, made figures on lumber to the

Insurance Companies at the Highest Retail Prices,

in order that the adjustment of insurance might be made to the *best advantage of the losers.*

While they have doubts of their efforts in this line being appreciated, yet to still further show their willingness to favor those intending to rebuild, Foster & Woodson will make the price of Common Lumber delivered in Corning at

\$13 per Thousand,

in lots of from five to ten thousand feet and over, which is actual cost on the lumber.

It will pay you to figure with them before ordering elsewhere. Other lumber in proportion.

These prices hold good for thirty days.

Foster & Woodson.

—Law of Assignments (life), bound, 50 cents, at this office.

Pennsylvania Fire Insurance Company.**LARGE GAINS IN ASSETS, SURPLUS AND BUSINESS.**

The old reliable Pennsylvania Fire Insurance Company, which was organized in the early part of the present century, has been steadily advancing for many years. Gains have been made in assets, in surplus, in premiums, for a long series of years; and good management and good fortune have united in the production of handsome results in both underwriting and investment departments. It is a rare year that does not show a substantial profit on underwriting.

The past year shows substantial gains, but they are only average. Over \$340,000 was added to the assets, and over \$263,000 to surplus. The premiums gained, too, and a moderate loss ratio left a goodly profit on the year's underwriting transactions. Progress in recent years is shown by the following compilation of

FIVE YEARS' FIGURES.

Year.	Assets.	Net Surplus.	Prem's.
Jan. 1, 1894 .	\$3,859,058	\$1,290,175	\$1,582,126
" 1895 .	4,098,774	1,489,252	1,611,234
" 1896 .	4,461,323	1,783,582	1,629,096
" 1897 .	4,759,024	1,966,449	1,715,193
" 1898 .	5,100,286	2,197,726	1,730,616

In the past ten years the assets of the Pennsylvania Fire have increased from \$3,100,000 to \$5,100,000; the net surplus has increased from \$1,291,000 to \$2,197,000; and the annual premiums have advanced from \$1,029,000 to \$1,730,000. This is an exceedingly good record of growing and prosperous business. The Pennsylvania Fire is a very strong company, over half its assets being surplus to policyholders. It is therefore in a position to command a large amount of choice business.

Early in 1896 the Pennsylvania drew out of a general agency in this field and established a Coast department, with T. Edward Pope as manager. This was not, of course, the most favorable time for the establishment of a department, the rate war being still on; but the management of the Pennsylvania is too broad-guaged

to be deterred from taking a long contemplated step because of a temporary departure from good practices. The company is nearly seventy-five years old, and its management looks far ahead, and plans and builds for the future.

The results in this field have amply justified the good judgment which organized the Pacific Coast department, as the following comparisons will show:

COAST GENERAL AGENCY FIGURES.

Premiums in 1894	\$63,670
Premiums in 1895	66,221

Two years	\$129,891
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COAST DEPARTMENT FIGURES.

Premiums in 1896	\$191,785
Premiums in 1897	171,071

Two years	\$362,856
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There is a gain of nearly two hundred per cent., which places the Pennsylvania well up among the leaders in Coast premiums. Losses paid in these two years amounted to \$141,545, or only 40 per cent.

Manager Pope has an able assistant in R. W. Osborn, formerly superintendent of agents, and recently appointed assistant manager. The well known Homer A. Craig is general adjuster for the company, and a goodly corps of special agents look after its interests in the field.

Washington Losses.

Losses in Washington as reported to the *Coast Review* so far this year are considerably more than double what they were up to date last year. If the average holds good, the total Washington losses for 1898 will be about \$650,000 or a loss ratio of 65 per cent. It is probably too soon to remind the authorities of that State that they have a valued policy law which certainly does not make policyholders more careful nor make arson less attractive.

Acetylene gas explosions are becoming common. But there will be no trouble about getting insurance.

The Lancashire resumed in a New Hampshire company a few days ago.

Six Months San Francisco Premiums.

	1898	1897	1896	1894
Aachen & Munich . . .	\$29,189	\$21,804	\$33,208	17,959
Etna	34,265	18,527	15,497	23,835
Agricultural	7,664	..	..	..
Alliance	39,483	21,555	17,232	26,751
American, Pa.	15,671	11,575	9,485	8,383
American, N. J.	7,192	3,173	2,897	3,652
American, Boston	7,364	..	..	..
American Central	9,315	4,433	3,602	10,376
Assur. Co. of America . .	425	..	..	..
Atlas	30,929	12,465	12,750	12,775
Baloise	5,134	3,026	2,708	5,254
Boston	904	..	..	..
British America	10,228	4,238	3,638	4,282
Caledonian	14,806	6,189	9,629	11,463
Commerce'l Union, Lon. .	38,383	28,023	26,394	30,963
Commerce'l Union N. Y. .	929	684	..	..
Connecticut	8,943	9,531	9,508	7,553
Continental	16,793	8,891	5,939	9,169
English American	7,239	..	..	..
Fire Association	12,393	8,703	12,977	7,587
Fireman's Fund	58,541	33,144	27,937	33,476
Franklin	9,466	4,859	4,308	5,631
German-American	28,875	15,254	11,741	21,339
Greenwich	8,316	1,543	3,808	3,796
Hamburg-Bremen	56,704	28,998	27,907	29,488
Hanover	18,496	12,556	12,166	21,439
Hartford	44,800	16,398	17,174	26,918
Helvetia Swiss	19,572	13,032	10,655	24,973
Home	14,452	9,785	17,384	5,896
Home Mutual	12,651	10,410	10,198	10,273
Imperial	32,038	19,231	9,582	11,234
Ins. Co. North America . .	11,595	6,551	9,773	7,581
Ins. Co. State of Penn. . .	1,196	1,131	978	1,055
Lancashire	47,132	23,732	21,581	21,692
Lion	16,377	11,297	7,477	10,189
Liverp'l & Lon. & Globe . .	44,523	26,054	22,494	48,657
London & Lancashire . . .	118,029	65,509	55,737	55,974
London Assurance	21,771	8,737	9,543	12,551
Magdeburg	26,853	17,106	8,285	19,717
Magdeburg, N. Y.	242	..	..	..
Manchester	24,763	10,045	12,844	15,287
Mercantile	4,544	..	..	..
Merchants, N. J.	13,158	..	..	..
Milwaukee Mechanics . . .	23,330	1,739	5,422	5,604
National	18,233	6,200	5,737	9,434
National Standard	171	..	..	..
New Zealand	16,359	13,258	11,586	20,083
Niagara	11,060	..	..	..
North British	26,977	16,759	13,705	25,311
North German	41,895	18,733	20,780	33,839
Northern Assurance	21,771	8,737	9,543	12,551
N. W. National	24,365	12,272	..	..
Norwich Union	29,089	10,822	10,620	11,505
Orient	3,289	3,353	3,992	4,957
Palatine	28,173	19,568	13,973	39,631
Pennsylvania	15,579	9,199	7,604	8,870
Phoenix, Hartford	12,623	9,785	17,384	5,896
Phoenix, London	38,932	16,521	17,478	22,902
Prussian National	19,465	11,829	7,641	29,139
Providence-Washingtn . . .	4,786	3,303	3,264	3,075
Queen	18,111	14,953	20,925	19,096
R. I. Underwriters	2,227	1,655	1,849	1,323
Royal Exchange	56,714	22,744	21,057	42,105
Royal	49,521	24,550	28,280	11,505
Scottish Union	21,807	10,259	9,729	16,558
Springfield	11,318	6,163	6,259	7,721
St. Paul	6,664	3,876	3,457	3,837
Sun	18,939	16,291	14,650	24,178
Svea	14,856	9,461	9,232	5,428
Teutonia	7,667	1,885	..	2,038
Thuringia	74,152	25,368	..	..
Traders	3,398	3,991	..	7,958
Transatlantic	32,365	12,313	18,314	25,410
Union Assurance	14,412	8,831	10,091	17,827
Union, Pa.	3,538	3,328	884	965
United States	664	117	..	4,766
Westchester	11,130	9,335	10,911	10,619
Western	11,952	5,195	5,457	5,709
Williamsburg City	9,095	1,991	2,054	1,754

Total \$1,635,124 \$853,453 \$787,955 \$1,170,916

Totals include premiums of retired companies.

1894 figures are those of a normal year, before the rate war.

Fire Notes.

A rate war in Cincinnati is predicted.

Many gasoline fires are reported in Chicago.

The 80 per cent. co-insurance clause has been abolished at Nashville.

McNall's raiders are still levying tribute. Corporations are meeker than persons.

A number of companies have withdrawn from New York. The pace is too hot.

Frank W. Anthony, the wildeat insurance man, has been arrested for the illegal use of the mails.

It is proposed to make the brokers pay the stamp tax on "not wanted" policies returned by them.

The State of Philadelphia, organized two years ago, did not find fire underwriting a bonanza, and will wind up its affairs.

A rumor of the amalgamation of two British offices has been current in New York, but is declared to be without any foundation of fact.

The Portsmouth, of Virginia, organized in 1852, will retire, notwithstanding the fact that fire insurance pays like gold-mining on the Klondike.

The Munich Reinsurance Co. will enter New York. Pres. McCall of the New York Life has been elected one of the United States trustees of the Munich.

The Norwood has reinsured all its business in the Providence-Washington and will retire, notwithstanding the "enormous profits" of fire underwriting, in California and everywhere.

The Kansas populists have a plank favoring State insurance against fire and lightning. It was proposed in the convention to also insure against death, but this proposition was voted down on the ground that it would antagonize the fraternal societies and cause a great loss of votes.

Pacific Coast Fire Insurance Losses in 1898; by States.

MONTHS.	SAN FRANCISCO.	CALIFORNIA, EXCEPT SAN FRANCISCO.	CALIFORNIA, TOTAL.	OREGON.	WASH-INGTON.	IDAHO.	MON-TANA.	NE-VADA.	UTAH.	ARI-ZONA.	COLO-RADO.	TOTAL 1898.*	TOTAL 1897.*
January	\$ 39,522	\$ 235,490	\$ 275,012	\$ 18,034	\$ 124,821	\$ 911	\$ 28,888	\$ 569	\$ 4,682	\$ 3,216	\$ 21,938	\$ 483,292	\$ 218,271
February	62,378	73,518	135,896	17,491	22,559	8,695	11,089	450	950	8,170	7,351	226,201	358,603
March	102,479	141,744	244,223	13,735	44,084	203	40,709	190	14,393	1,520	14,705	374,338	429,420
April	68,311	185,917	254,228	42,030	22,494	70,254	17,236	511	2,371	17,359	9,773	439,286	196,917
May	61,960	283,460	345,420	38,071	40,168	7,154	10,881	525	13,106	46,862	10,738	516,901	340,911
June	33,286	195,228	228,514	19,805	64,090	4,977	15,062	1,041	111,363	8,111	15,387	520,881	407,120
First Six months '98	\$ 367,936	\$ 1,115,357	\$ 1,483,293	\$ 150,966	\$ 318,216	\$ 92,194	\$ 123,865	\$ 3,286	\$ 46,865	\$ 85,238	\$ 79,892	\$ 2,560,899	\$ 1,951,842
" " '97	342,861	960,740	1,303,601	128,554	142,335	50,588	106,475	11,365	114,218	10,717	44,628	2,236,487	439,113
July													385,921
August													513,050
September													321,881
October													273,069
November													273,453
December													
Last Six months '98													\$ 2,236,487
" " '97	252,628	1,063,418	1,316,046	256,457	235,236	84,154	124,735	17,309	50,235	57,297	65,364	2,236,487	
Total, 1898													\$ 4,188,329
Total, 1897	595,489	2,024,158	2,619,647	385,001	377,571	134,742	231,210	28,674	164,453	68,014	109,992		

*Totals include small losses in outside territory, as New Mexico, British Columbia, etc.

Increased Coast Losses This Year.

The companies paid for fire losses in the Pacific West \$611,000 more for the first half of this year than for the same time last year. The reader may say, "This increase merely restores the ordinary figures, last year's losses having been extraordinarily small." Unfortunately for this satisfactory conclusion, however, last year's half-year losses, with which we are making comparison, were not "extraordinarily" low. They were little below the average for the first half-year. The Coast losses for the first six months of the present year are the largest for the first half-year since the conflagration year 1889. Attention is invited to the following totals:

JANUARY-JUNE INCLUSIVE LOSS TOTALS.

1890	\$1,960,078	1895	\$2,164,422
1891	1,407,408	1896	2,021,413
1892	2,100,049	1897	1,951,842
1893	2,191,454	1898	2,560,899
1894	2,375,896		

About a third of this large increase is to be charged to California; the remainder, to the outside territory. Washington losses have doubled. Oregon losses have increased 16 per cent. Idaho losses have increased 80 per cent. Arizona losses are \$85,000, as compared with \$11,000. Colorado losses paid through San Francisco channels have nearly doubled. Utah, Montana and San Francisco and California "interior" also report increased losses. Only Nevada reports smaller losses.

It is possible that the next six months will not show an increase over the average, but such good fortune is not probable. According to the average loss experience in this field, the first half-year's total is 42 per cent. of the whole year's total. This indicates a probable total of \$6,000,000 Coast losses for the present year, or an average loss ratio of nearly 65 per cent., if the average is maintained for the remainder of the year. We are at least pretty safe in predicting that the average loss ratio for 1898 will be considerably larger than for last year, even with an increased pre-

mium income; but the large estimate of \$6,000,000 total losses need not fill us with apprehension, for it is based on an average which includes the conflagrations of '89. An average loss ratio of 55 per cent. is more probable.

Spanish Officials and Legislation in This Country.

In an address before the Association of Fire Underwriters of Missouri, D. W. Wilder, formerly a State insurance official, said:

"Only ignorant legislation now blocks your way, increases expenses and raises rates. We can conceive of such legislation as continuous in a country like Spain, but not in ours. England, our new and great ally, went through centuries of restrictive and sumptuary legislation; she had laws for the clothes you should wear, the food you should eat, the books you should read, the religion you must profess. It was all done in the name of reform, for man's betterment here and for his salvation somewhere else. But that great country has outgrown all of those childish things. She has no insurance department. She knows that insurance cannot be made cheaper by taxing it; that our modern business life means freedom, the removal of all burdensome restrictions. She has found it out; we shall soon find it out. It is a barbarism and a disgrace that the great State of Missouri, through her highest law officer, is to-day prosecuting and persecuting some seventy fire insurance companies, solvent companies, loss-paying companies, thoroughly honorable companies; and that representatives of these companies, coming to St. Louis on legitimate business, were recently treated like spies, emissaries and public enemies. All this is barbaric. It will soon be outgrown, and the existence of such a record will in the future seem as absurd and incredible as the existence of sumptuary laws in European countries a few centuries ago."

HIS MOTIVE.—There is seldom, if ever, any good reason for going outside of the State and examining insurance companies located in States having regular organized insurance departments; and whenever a commissioner engages himself in this way it is natural that his motive should be questioned.—*E. B. Craig*, Insurance Commissioner, Tennessee.

THE big fish are still swallowing the little fish.

The Continental's Semi-Annual Figures.

The Continental's statement of July 1st gives the following totals:

Assets	\$8,839,595
Net surplus	3,282,898
Policyholders' surplus	4,282,898
Reinsurance reserve	3,732,699
Reserve for unadjusted losses	326,802
Reserve for commissions, taxes, etc.	197,795
Reserve for contingencies	300,000
Cash capital	1,000,000

Among the assets we notice: cash in bank, etc., \$633,996; United States bonds, \$696,000; real estate, \$1,106,250.

During the six months ending June 30th the Continental increased its assets over \$257,000 and gained some \$165,000 in net surplus.

Portland Notes.

There seems to be no end to the changes taking place on the Pacific Coast and the withdrawal of Northwest material to fill the important places arising therefrom. The last important change is the appointment of Special Agent Raymond, who for many years has represented the Landers agency in this territory, to the important position of general agent for the Niagara. The appointment of Mr. Raymond will meet with general satisfaction throughout this whole country. He is uniformly popular and exceedingly strong with his agents. We predict for him success.

We have to acknowledge a pleasant call from General Agent W. J. Callingham of the Sun and Orient, who for a week past has been visiting his Portland agents. Mr. Callingham reports everything quiet on insurance street in San Francisco; believes that a better condition of things exists now than has for many months past.

Vice-President Snow of the Home, accompanied by Mrs. Snow and Assistant Secretary Correa, spent several days the early part of July with General Agent Coleman, who accompanied them to the Sound en route to New York via Canadian Pacific. Mr. Snow submitted cheerfully to an interview, and seems highly pleased over the success of his Pacific Coast work. Paid a high tribute to retiring General Agent Magill; but he believes the new plan which he has inaugurated will prove a splendid success. Mr. Snow assures us that the Home will be in the van guard suppressing evil practices, and promises the rule abiding companies and agents

that they can depend upon its alliance in overcoming excess commission propositions, and other like shortcomings.

The growing grain insurance mania reached its zenith this year, when thirty-two specials, representing as many companies, at a daily expense of about \$15, were assembled in the grain belt, scrambling for a portion of the business which only amounted gross to about \$10,000 in premiums. As the average time spent by each special was twenty days, it is only a matter of small mathematical calculation to determine whether there was any profit to the companies paying so high for the business. We hardly see where there is any difference between paying excess commissions to agents and the dispatching of specials, hiring of teams and drivers, bearing the entire expense including meals and lodgings, drinks and cigars for agents. As stated, it would require a pretty fine-haired gentleman with a very long telescope to discover the difference between this method of getting business and the paying of excess commissions. We sincerely hope that before another year rolls around that the association will see the folly of maintaining rates which would justify such a tremendous expense in gathering so small a volume of business. We believe that the rate on growing grain in this territory should be reduced to 2%, and that agents be allowed 20% commission for securing that class of business. This would do away with such an idiotic scramble.

In the whirligig of municipal affairs, Fire Chief De Boest has been whirled out and Ex-Chief Campbell rolled in. We have no fault to find in this action of the mayor, for such is politics; and in the selection of Campbell the city has secured a first-class man in every particular. His record is good. At the same time the insurance fraternity must confess that the administration of De Boest has been a record-breaker. He goes out of office with the well wishes of all classes, and we hope that the fire commissioners will see their way clear to make a place somewhere for him in the department. He would make an excellent assistant to Campbell.

ALARM BOX.

Massachusetts Life Report: Fred'k L. Cutting, insurance commissioner. He says: "No level premium life insurance company chartered by this commonwealth has ever failed. But when we turn to assessment companies, the policy adopted by the State has been dif-

ferent. The legislature has so arranged it that the travail of birth should be as slight as possible."

Colorado Cullings.

Special Agent Jolly is spending the month in this field visiting the agents of the Alliance.

Assistant Manager Bagley has spent most of July in Colorado visiting the agents of the North British and Greenwich.

The Orient makes a new departure, having instructed its Colorado, Wyoming and New Mexico agents to report to a general agency in Texas. Mr. Kempster, for several years city surveyor of Denver for the Compact Office, is appointed special agent for this field.

W. C. Cree has returned from Chicago with the Merchants of New Jersey. It is not yet announced who is to be Mr. Cree's successor as special agent for the Thuringia in this field. Mr. Cree will look after special work in Colorado, Montana, Nebraska and South Dakota.

Specials Hiram Lee, W. A. McGrew and Judge Potter visited Albuquerque, N. M., to adjust the losses in that city. If New Mexico has a few more big fires this year the \$10,000 deposits required will not furnish "ample security" to policyholders of that Territory.

All but two of the forty-one local agents of Denver have signed an agreement that will correct many of the evils of the business now openly practiced, and it is hoped violators will be promptly punished. If this plan does not succeed there is every prospect of a bitter rate war being waged in the near future. Awaiting the decision of the Eastern managers, peace is assured until August 1st.

COLORADO CARL.

A Compromise.

The fire offices have made two or three concessions to the insurance commissioner of California, whereby they have secured a promise of freedom from any further embarrassment at his hands. They have agreed to pay one per cent. of their premiums, as required by the relief fund act which the supreme court pronounced unconstitutional. The companies have always been willing to pay any general tax, reasonable in its percentage, which the legislature might require. Though not now bound in law to pay anything, the companies have apparently deemed this contribution less expensive than litigation.

Another concession, more seeming than real, is an agreement to reduce rates in San Francisco. This reduction, which only follows a previous reduction, has long been urged by many underwriters, and was long since formally and authoritatively promised in consideration of the creation of a full-paid fire department. The new charter provides for the substitution of a full-paid for the part-paid and call department. Though San Francisco rates have corresponded with those of similar cities in the East, and, hazard considered, have been even lower, the actual loss experience has warranted a general reduction. The only objection to such reduction which we have been prepared to offer, aside from the conflagration hazard, is the fact that the profits on San Francisco business has enabled the companies to write country business at cost when country property-owners could not afford to pay rates profitable to underwriters. The country supports the city, and it has not been unfair to the city that it has been compelled to lend a helping hand to the country.

Montana Mutterings.

Ex-Manager Charles R. Gilbert, of the compact office at Butte, is visiting the Montana agents in the capacity of special agent for Manager L. B. Edwards' quartette. What worries Charlie most is how to explain to the compact office why rates in some cases should be reduced; but he is soon going to California, where he has not made rates for some time.

Acting Manager Parkhurst has matters in the compact office at Butte moving along very smoothly and satisfactorily. A large number of the Montana local agents have written their managers and specials asking the united efforts of the companies to have Mr. Parkhurst appointed manager. He is the most satisfactory man that can be secured for the position.

A circular order dated July 1st, 1898, and signed by President G. S. Mellen, is posted in the waiting rooms and offices of the Northern Pacific Railroad Co., announcing that on and after that date the railroad company will insure all that corporation's properties in an insurance fund to be established for that purpose. E. W. Osborne is appointed insurance inspector, but is to report to W. H. Gemmell, assistant secretary at St. Paul.

Elaborate rules have been posted directing station agents and other employees to clean up and look after the property under their

charge. No doubt when the insurance fund is indebted to the corporation, as will be the case in a few years, the Northern Pacific directors will allow the business to again be written at a loss by the insurance combine in New York.

Special agents are not so plentiful as they were during the first half of the year. They seem to have migrated to the grain growing sections of Washington, but no doubt will return after harvest.

Special Agent Bob Luke is visiting the Montana agents, and is telling them how much more satisfactory it is to report to the Eastern managers. Bob only represents Eastern interests, viz.: the German-American and Phenix of Brooklyn. See?

Livingston, Mont., is a "hot town." For the first half of the year it has cost the insurance companies about forty thousand dollars; and the total annual premium receipts do not exceed fifteen thousand dollars; and this seems to be Livingston's record for several years past. Livingston, like Chicago, is a "windy city."

The stockholders of the "Great Falls Water Works Co." have accepted the offer of \$375,000 cash made by the city, and the plant will no doubt soon be in possession of the city. As the water company guarantees a gross revenue of \$46,000 per annum, it is evidently a good buy for the city. The sale is to include the pumping plant, franchise and water supply. It is one of, if not the best, plant in the State of Montana.

MONTANA MIKE.

The Connecticut Fire After the Notorious McNall.

Examinations by State insurance departments, as every well informed man knows, are usually perfunctory performances by men in no way qualified for the work. Whenever anything pointing to insolvency is discovered, it is after everybody else knows it; and the official certificate thereof comes too late to be of any service. The insurance commissioner is twin brother of the man who locked the stable door after the horse was stolen.

These examinations are expensive, and common justice therefore requires that they should be made no oftener than may be deemed necessary to make solvency absolutely certain. Two or more insurance departments should join in such examination, and their certificate should be accepted as satisfactory by all other insurance depart-

ments. But dishonest insurance department officials have found in the law an opportunity to "do politics" and reward political henchmen, by making numerous examinations of companies' affairs. These so-called examinations are as worthless as they are needless, but they give paying "work" to needy politicians.

The head of the Kansas insurance department, one McNall, has been a leader in these modern highwaymen raids on insurance companies' treasuries. His "examiners" have been going up and down the land, official gun in hand, and their victims have "shelled out" with alacrity. A number, however—whose names a contemporary prints as a "roll of honor"—declined to be robbed, and withdrew from the State. They are among the strongest companies in the world. Among other impertinent demands of this typical demagogue was a report of the salary paid every official of the company. This private and needless information McNall now gives to newspaper reporters when they interview him.

The Connecticut Fire Insurance Company declined to be robbed by the Kansas highwaymen. The managers "declined to agree in advance to pay such sums and charges as the examiners might demand or would fix as the proper charge and expense of such examination." The refusal to submit to a blackmailing and wholly superficial examination is the best evidence of independent strength. A weak company would certainly pay cheerfully for the alleged examination, and buy exemption and official taffy. The Connecticut Fire, however, agreed to submit to the most thorough examination at the expense of the Kansas insurance department.

The Kansas dictator thereupon revoked the license of the company for that State. This was on July 7. The company then applied for and was granted a temporary injunction by Judge Foster of the United States circuit court. The hearing of the case has been set for September 3.

The bill for an injunction, sworn to by Associate Manager McGregor of the Western department, contains the following:

"* * * Your orator further alleges, upon information and belief, that the said defendant herein wrote the said letter and made the same pretended order for the sole reason that he had been disappointed in his attempt to compel your orator to pay him, through the said examiners, E. W. Tatman and D. O. Mc-

Cray, a large sum of money, to enable your orator to continue in the peaceable transaction of its said business of fire insurance within the State of Kansas. And your orator further alleges, upon information and belief, that the said Webb McNall, in so attempting to revoke the certificate of authority, by making the said pretended order, was actuated by a desire to oppress and injure your orator and to impair and destroy the property rights of your orator within the State of Kansas; and the said E. W. Tatman and D. O. McCray, as the agents and appointees of said defendant, had no intention of making any bona fide investigation into the affairs of your orator, and that said attempted examination was not in good faith, but that said attempted examination was for the sole purpose of fraudulently procuring your orator to agree in advance to pay a large sum of money for the sole use and benefit of the defendant herein and his appointees, as the sum and price of the peaceful transaction of your orator's said business of fire insurance within the State of Kansas. * * *

The Connecticut Fire Insurance Company deserves warm commendation for its course in this matter. It is exhibiting the true American spirit, as expressed by the government in dealing with the pirates of the Mediterranean, "Millions for defense, but not one cent for tribute." The Europeans had paid this tribute for years: the Americans sent over a war ship. The Connecticut Fire is truly an American company through and through. It is strong, just and liberal. It is not only solvent, but it has over a million dollars surplus in addition to a million capital, or over two millions of surplus to policyholders.

In this injunction suit it is reported that the Connecticut will compel McNall to show what disposition was made with the \$15,000 his raiders have collected from various companies. Perhaps the fellow has overreached himself at last.

A New York Lloyds.

The Protective Fire Association Underwriters are setting up the limit of liability clause in their policies in defending claims (says the *Review*). They state that the claims now filed against them amount to over \$8,000 for each underwriter, with losses on policies aggregating \$140,000 in full amount, the loss not yet being determined. The limit of each underwriter in the power of attorney is \$5,000 and the policy clause fixes his liability at five

times the maximum amount which can be subscribed by the attorneys on one policy.

The German-American's Semi-Annual Statement.

Large gains! Assets June 30, \$8,040,435. Gain, \$204,736 in six months. Net surplus, \$3,780,628. Gain, \$101,629.

Effect of the War on Business.

When the present war with Spain broke out there was much misgiving as to its probable effect on business. A decline in values generally was anticipated, and it was feared that many branches of business would become stagnant. But the most serious possibility, in the event of a prolonged war, was an expansion of the paper currency, which would make the government pay dearly for everything, and would disturb all kinds of business. All these fears have proved groundless, so far. The effect of the war on business has not been bad as a whole. Individual enterprises may have suffered temporarily, but business generally has been stimulated. A great deal of money has been put into circulation in new channels. Confidence, which reflected the natural timidity of capital at first, has resumed its normal strength. Stocks, the great business barometer, no longer indicate a storm brewing. Insurance business of every kind is bound to share in this improved state of affairs. Even if peace do not soon follow, as hoped, it is not probable that a prolonged war with Spain would alter the present favorable aspect in the business world.

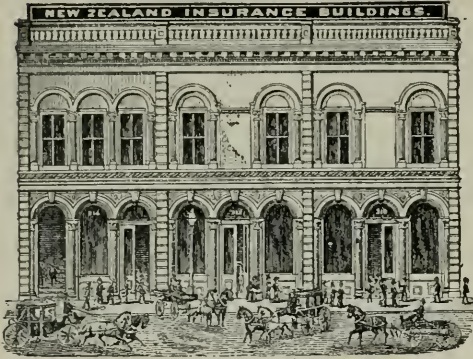
Several companies have discontinued writing in New York, on account of the rate-war. Many companies will find their New York receipts reduced from 50 to 75 per cent., it is said. But the losses will come in as usual. How are they measuring the unearned premium reserve? At only 50 per cent. of a 90 per cent. cut rate? Already there is repentance, and many cancellations are reported, there being no no-cancellation agreement.

Sunderland, Eng., recently had a fire which destroyed the business houses on four streets. The fire protection was so poor that the British papers are scoring the authorities. The city was practically without protection, and the mob was so determined in its efforts to loot the stores that the military was called out.

An Illinois local advertised a clearance or bargain sale of fire insurance. Now he has neither companies nor business.

THE NEW ZEALAND INSURANCE COMPANY.

A Strong, Prosperous British Colonial Company, with Handsome Net Surplus and a Splendid Record—It has Agencies All Over the World.



310, 312, 314 California St.

SAN FRANCISCO BUILDINGS OF THE NEW ZEALAND.

The New Zealand Insurance Company was the first local company established in the Colony. It was founded by a few Auckland merchants in 1859, under the joint stock companies act which provides for the unlimited liability of shareholders. The company began with a small capital, which was increased in 1864, and again in 1873 and in 1874, to meet the requirements of its extended business. From a small company with a local business, the New Zealand has grown into a large company, with general agencies or departments in all the Australasian colonies, in Hong Kong, in Japan, Singapore, Rangoon, Ceylon, East Indies, South Africa, France, London, Liverpool, Manchester, Glasgow, San Francisco, Victoria, Honolulu, Valparaiso, Buenos Ayres, etc. The establishment of general agencies throughout the United States is only a question of a short time. The company's shareholders include some of the wealthiest business men of the Colony, and its managers at home and abroad are recognized as prudent and successful underwriters.

Evidence of a Strong, Conservative and Successful Company.

In forming a correct opinion as to the standing and strength of a fire insurance

company, several elements must be considered. Age, up to a certain point, is one of these elements, because age is a guarantee of conservative practices and sound traditions. Other elements to be considered are the surplus funds, and the proportion which the net surplus bears to the liabilities; for upon this proportion depends the ability of the company to sustain without impairment an unusual but possible run of bad losses.

Let us subject the New Zealand Insurance Company to these tests and see whether or not it fails any of them.

As to age: The New Zealand was organized in 1859 and is therefore nearly forty years old. This is old for a fire insurance company—far older than a majority of the companies of the world.

As to funds: The New Zealand has \$5,000,000 subscribed capital, of which \$1,000,000 is paid up in cash. The total cash assets are, in round numbers, \$2,500,000. The unpaid \$4,000,000 subscribed capital is fully guaranteed and must therefore be treated as an available asset. The cash and the guaranteed assets bring the actual available assets of the company up to \$6,500,000. To this must be added also the fact of the unlimited liability of the shareholders, whose entire private fortunes are pledged to the payment of every dollar of the company's liabilities, under the law governing its organization. Such security as this is now something unique in the indemnity offered by fire insurance companies.

The New Zealand has \$1,665,946 cash surplus to policyholders. This is over 65 per cent. of the total funds. Its net surplus over the \$1,000,000 paid-up capital and all liabilities is the handsome sum of \$665,946. The net surplus is over 80 per cent. of the amount of the liabilities. This is an unusually large percentage, proving the ability of the company to sustain exceptionally heavy losses without even impairing its paid-up capital.

The New Zealand Insurance Company is a strong, successful and permanent enterprise; which in financial standing and

underwriting ability can successfully challenge comparison with any other company.

The Annual Statement.

A searching analysis of the New Zealand's annual statement for the year ending December 31, 1897, exhibits the affairs of the company in a very favorable light. Of the total \$2,493,888 cash assets only \$827,942 is covered by liabilities, and the latter include an over-estimate of the unearned premium liabilities. The company gives its unearned marine premium liability as 100 per cent. of the premiums on amount in force, and its unearned fire premium liability as 50 per cent. of the premiums on amount in force, making no due allowance for earned premiums on marine time risks and on fire risks running more than one year, as our laws allow. The company thus withholds a credit which brings its actual net surplus up to more than \$750,000; but the company can well afford to over-estimate its unearned premium liability, as long as it can still have remaining so handsome a net surplus as \$666,000.

The cash assets of the New Zealand aggregate \$2,493,888, carefully invested in first-class realty, stocks, bonds, loans, etc., as set forth in the sworn itemized statement filed with the insurance department. The item "premiums in course of collection, \$217,499," is small for a company transacting both a marine and a fire business in all parts of the world. Many companies with business or statements confined to the United States and Canada, with the same or a larger volume of premiums, report a larger and a proportionately larger amount of premiums in course of collection, though within five or six days' communication by mail with agents at the remotest postoffices. This item, as well as the item "losses in process of adjustment," must therefore, under the circumstances, be treated as swelling the credit of the company and its management; for both are smaller, in proportion, than those of other leading fire and marine companies with agencies in all parts of the world.

The premium income last year was over \$1,500,000, drawn from the entire area of the civilized world. The company lost heavily in the Melbourne conflagration and other large fires, but notwithstanding these unusual losses the ratio of fire losses was less than 60 per cent. Marine losses, on the other hand, were unusually severe, but the New Zealand merely shared the general unfortunate experience in this respect. Marine losses have been excessive everywhere in the past few years, and even American business, with higher premium rates, has been able to show only a narrow margin between premiums and losses.

The Pacific Coast Department.

The New Zealand established a general agency in San Francisco in 1875. Local agencies were established throughout the Coast and Mountain territory, and in these twenty-three years the company has paid \$1,550,000 losses and has been conspicuously free from litigation. It has given perfect satisfaction to its policyholders, and has furnished them with first-class indemnity.

The New Zealand is entitled to the specially favorable consideration of San Francisco and other Coast property-owners. It was the second foreign company to buy office property in San Francisco. Four foreign fire offices and one Eastern life office now own San Francisco office buildings.

The company showed confidence in San Francisco realty when it bought this property, in 1885, and that it retains that confidence to-day need hardly be asserted.

The Pacific department was recently placed under the management of W. P. Thomas, an underwriter of twenty-five years' experience in field and office. Manager Thomas, by his proper business methods and close attention to the interests of his company, has already produced some excellent results. Though beginning the year without city agents or solicitors, he is able to report increased San Francisco business for the first six months of 1898 over the same time in 1897. The business of the com-

pany in California and on the Coast generally is steadily increasing under Mr. Thomas's management.

LIFE AND CASUALTY.

Union Mutual Life Insurance Company.

Healthy growth, steady progress, safe investments, and reduced expenses. Such is the record of the Union Mutual Life Insurance Company of Maine.

Comparing the last two annual statements we find some gains which indicate an energetic management and must be accepted also as evidence of well pleased policyholders.

Gains were made in assets, surplus, new business, premiums, dividends, and insurance in force. Expenses were reduced, besides. More was paid to policyholders, but the excess of income was greater than in the previous year. The showing is a good one throughout.

The Union Mutual Life will soon celebrate its jubilee year. In a few months it will be fifty years old. It is sound in limb and trunk, and will begin its second half century with the prestige of age and an honorable record, with ample surplus funds, and with bright prospects for the future.

In this field General Agent Leavitt is doing a fine business for the Union Mutual. In California \$815,784 new business was written last year. This was a gain of 100 new policies and \$100,000 new business. Among the twenty-one companies operating in California, the Union Mutual ranks eighth in new business. Mr. Leavitt is an active, shrewd and successful general agent, and is popular with his fellow managers as well as with his agents and policyholders.

The *Argus* of Chicago says: A mongrel concern, called the "Knights of Bi-metalism," once known under the euphonious name of the "Original Order of Oaks of America," is the subject of attention, through the application of Attorney-General Akin of this State for an order re-

straining the valiant knights from further proceedings. With the change of name a few months ago came the addition of a feature designed to boost the waning cause of "free silver" by devoting five per cent. of all assessments to promote the cause. As the concern reported for 1897 forty-two policies for \$11,000 issued and 132 lapses, and a total income of \$1,162.19, the free silver tail this year has probably wagged the insurance dog thus far. We simply record the antics of this combination as a curiosity of the times.

State Mutual Life Insurance Co. of Illinois.

Several years ago some twenty-five "endowment" associations—rank swindles all—were operating on this Coast. They promised several dollars for one, to every member. One by one these associations failed. When the Iron Hall association failed, too, it looked as if no more of these frauds could find victims; but as time has dulled the edge of memory, here and there a similar humbug has come sneaking back. Among them is the so-called "State Mutual Life Ins. Co. of Illinois," organized about four years ago under a special endowment-bond charter.

This spidery humbug is spinning its web in Coast territory, and is catching green flies. Like the defunct Oakland Annuity it offers an "annuity contract" and promises or did promise to pay \$500, or five for one, at the end of seven and a half years, in consideration of \$10 down and one dollar a month for ninety months. This is a sample of the lying promises of this fraud. The *Investigator* of Chicago, for September 1, 1894, contains a roast of the concern, which it says is "clothed in the livery of heaven to cheat the devil," because it pretends to be a life insurance company.

To the people of the Coast we say, Let the "State Mutual Life Ins. Co. of Illinois" severely alone, and thereby save your money or spend it yourself on yourself. Don't feed the spiders! This Chicago swindle will soon be defunct or else repudiate its contracts. As soon as any number of its bonds mature, there will be

trouble and a receiver; but the claimants will get nothing.

Life Insurance Surplus.

SAN FRANCISCO, Aug. 1, 1898.

Editor Coast Review:

The enormous surplus being accumulated by the life insurance companies of the United States, amounting for the twenty-three companies reported in the *Coast Review* on Jan. 1st, 1898, to \$185,000,000, is creating much comment and dissatisfaction among policyholders, and some enquiry from insurance commissioners.

There has been some effort on the part of policyholders to get at the actual facts regarding this surplus, and the July current Insurance Law Journal reports the case of Everson vs. Equitable Life Assurance Society, brought in the U. S. circuit court for the western district of Pa. The plaintiff brought suit for an accounting under a tontine policy. The court dismissed the suit on the ground that it would be an injustice to the company to compel them to go to the trouble and expense required in this case. While it may be true that Mr. Everson received the entire dividend due him under his policy contract, he had no means of knowing that fact, and every policyholder has at stated periods a right to know just what his interest in the company of which he is a mutual member amounts to, including his share in the surplus.

It is a wise precaution on the part of the officers of these companies to accumulate a surplus sufficient to cover all contingencies, either of loss of income from reduction in interest rates, shrinkage in investments or a possible excessive loss due to some sweeping epidemic, and no policyholder who cares for the security of his investment will object. The great majority of the twenty-three companies reported in the *Coast Review* are mutual companies under obligation to return to the beneficiaries of the assured all the accumulations belonging to his policy. The six leading companies in assets and surplus are strictly mutual with one exception, and that company by its charter practically so. These six companies have over \$154,000,000 surplus.

There might be some question as to the necessity of so large a surplus, but there can be no doubt that on Jan. 1st, 1898, the entire sum belonged to the beneficiaries of the policies then in force. If as a measure of prudence the companies should retain this sum instead of dividing it among the policyholders, then each policyholder should annually be

given a statement showing the portion belonging to that policy, and the aggregate of these statements should equal the amount of the surplus. Upon the maturity of the policy the portion belonging thereto should be paid to the beneficiary.

It has been stated to me by an officer of one of the companies that the surplus as given in the annual statement of his company was not altogether surplus; that a very large portion of it was a reserve fund for deferred dividend policies. If his statement is correct then that portion of the fund is a liability and not a surplus, and should be added to the reserve fund. At the same time the deferred dividend policyholders should receive their annual statement of the amount of accumulation under their policies.

It may be, and probably will be, argued on the part of the companies that if they are compelled to make these statements to policyholders, their expenses would be excessively increased.

That there would be some additional expense is undoubtedly true, but it ought not to be large. Every year a dividend statement is made, payable from the surplus. In the compiling of these statements the actual amount of reserve and surplus applying to each class of policies must be taken into account. It can readily be seen that very little more labor would be required to give a statement of the amount of the surplus not distributed.

There is a disposition in some of the States for too much legislation against life insurance companies, especially in the way of taxation. These companies are practically great mutual savings banks for the benefit of the thrifty. Their policies every year save thousands of families from want, when the bread winner is taken away, and because of their value to the State should receive as good treatment from the legislature as mutual savings banks or mutual building and loan associations. At the same time it is the duty of the legislature to throw every reasonable safeguard about these institutions and to so legislate regarding them, that the provisions of their charters shall be faithfully executed by its officers. They are great fiduciary institutions and should be regularly examined by competent men as banks now are. Their books should be so kept as to demonstrate that every dollar of their assets is credited to the policyholders, and upon the maturity of the policies that the beneficiaries have received their full share. Yours truly, D. A. SPENCER.

Distribution of Surplus.

In life insurance perfect solvency is true equity. Nothing could be more inequitable to policyholders as a whole than to jeopard undoubted soundness by a strained effort to deal with imagined equity with each retiring policyholder in a final apportionment of the surplus. American companies make a distribution of surplus at regular intervals, but there is always retained a balance, now apparently fifteen per cent. of the assets, to meet an excessive death rate, unusual depreciation in values of investments, and a deficiency in interest earnings. The equitable apportionment of this essential surplus to the maturing policy is one of the puzzling problems of life insurance, made impossible of solution, perhaps by the variety of modern policy forms, as well as by the extreme difference in what may be termed the mortality contributions of sanitary-living and unsanitary-living policyholders.

A correspondent, whose contribution is printed on another page, speaks of the "enormous surplus" of the American life insurance companies, as tabulated on page 263 of the *May Coast Review*. The tone of this letter is moderate and fair, and a reply to it deserves more space than we can spare this month. Our life readers are invited to sharpen their pencils and reply, for publication in these columns. While Mr. Spencer's conclusions generally are not correct, we are not prepared to take issue with him as to the justice of the view that upon the maturity of the policy the remainder of the policyholder's contribution to the surplus, as far as it is possible to ascertain it, should be returned. It is also possible, though, that the cost of ascertaining this equitable proportion might in many individual cases equal or exceed it. The total \$185,000,000 surplus so-called, divided equally among the policyholders, would be less than ninety dollars apiece; and on many policies the share would be only a trifle.

But much of this surplus is not real surplus. By far the larger part belongs to companies whose business is chiefly semi-tontine or deferred-dividend. The so-called surplus is mainly made up of these deferred dividends, which are really a liability, and might, under a different method of computing liabilities, be treated as such. A large percentage of life business written in recent years is of the deferred dividend sort, variously named. It results in increased accumulations without any corresponding liability as fixed by special statute. The liability exists, nevertheless, as

between the policyholder and the company, but it is a liability not shown in the forms of statement required by law. The real surplus we should roughly estimate as averaging ten per cent. of the assets, or about fifty dollars per policy. Some day, no doubt, the companies will find a way to ascertain approximately the maturing policy's share of the surplus, and pay it, no matter how small the amount. Meantime, to insure perfect solvency, it is better that the maturing policy should forfeit this small amount to the holder's fellow members, as others have previously forfeited to him and thereby increased his dividends. There is not nearly so much injustice in this small forfeiture as seems at first thought.

As for the withdrawing policyholder, his share of the undivided surplus, whether large or small, is justly forfeited to his fellow-members, to offset the loss of a risk presumably better than the average risk in force. The policyholder who retires from a company, certainly believes himself to be a sound risk, and his withdrawal increases the percentage of impaired risks which the company must carry.

Crisis in Fraternal Life Insurance.

For a number of years past variously named societies or associations in the United States and Canada, more or less social and fraternal in their nature, have been trying to furnish life insurance to their members. They have really been furnishing them with relief, and with contributions to the families of the deceased; but even when living up to the contract, these societies have at best been giving only term, not life insurance. It may be admitted that the managers were honest though mistaking men, without thereby acquitting them of gross ignorance and presumption. They contemptuously ignored the warnings of experienced men, and reviled the companies which furnished genuine life insurance at a higher price based on tables of mortality and interest.

But the expected has happened. The predictions are being fulfilled. The unheeded warnings are now acknowledged to have been based on facts and to have been inspired by no ill will. The fraternal insurance societies have built on the sands, and the tide of death is undermining them. There is great consternation, and the managers are making a frantic effort to prop up their houses. Life insurance actuaries have been employed; rates have been readjusted and generally advanced, and mortality tables have been

accepted as a proper basis. All the older fraternal insurance societies are passing through a crisis which we believe must end in repudiation or dissolution. Compromises, reduced benefits or death payments, the substitution of new contracts for those who can pass a new medical examination, the extravagant assessments of the remainder—what are all these but forms of repudiation? Would it not be better to build entirely new on solid foundations? Would it not be better to acknowledge failure, to admit the truth in a manly fashion?

The present condition of the older fraternal insurance societies should serve as a warning to members of the younger societies. They cannot hope to escape the same troubles. What is referred to as the law of mortality, which is the average rate according to age, is as inexorable as death itself. The demoralizing experience of the older societies must inevitably be that of the younger. The sooner this fact is recognized, the better for all concerned. Now is the time to put every fraternal insurance society on the best possible basis, through reorganization and the adoption of scientific rates. It is folly to remain a member of any society that refuses to do so or delays radical action. To wait, is to invite disaster for the society and the entire loss of protection for the individual member who meantime becomes uninsurable.

It is sad to contemplate the fate of these large, old fraternal insurance societies. They cannot survive and discharge their obligations. The older members and the weak generally must suffer. Tens of thousands of families must mourn repudiation or failure. The proposed grading of rates, however made, must be inequitable to the aged or the young or both. The old can not afford to pay rates based on age, and if their rates are not so based, then there must be a corresponding inequity which will keep out the younger men. There is really no help. Repudiation or failure is the alternative. Relief, such as now promised, can be only temporary.

We believe that these societies have done a lot of good. They have been educators. They have brought life insurance—the principle, the need, the benefits of life insurance—home to large bodies of men and women who would not otherwise have known or cared anything for it, who would not have been approached or influenced by the regular solicitor. This journal was probably the first to take this charitable view of an erroneous system. But the system has been tried and found wanting

long before its age has increased proportionally the number of the older members.

The only sound, safe and cheap life insurance is that based on mortality tables, accumulated funds and interest earnings. The regular life insurance companies furnish it. The fraternal insurance societies must resolve themselves into regular companies in all but the name, in order to furnish their members with genuine insurance for life. They must employ actuaries, level their rates, accumulate reserves, and carefully invest their funds. These are the conditions of sure, permanent protection. But now comes the question, Why create the needless machinery and run the additional risk of fraternal insurance organization? We await a reply from some champion of the fraternal plan.

A. O. U. W. in California.

The actuarial doctors were called in to prescribe for the patient Ancient Order of United Workmen, California jurisdiction, and according to all reports the heroic medicine they administered has been beneficial. The grading of rates has had a fine tonic effect, and the membership is increasing. We have not learned the particulars of the diagnosis and treatment, but we shall be pardoned if we do not take quite so hopeful a view of the future as that indulged in by the members. The order has done much good in California, and has distributed thousands of dollars where money was most needed. We may therefore hope, even against conviction, that for the sake of the older members and their families the order will be able to meet its obligations for years to come. Still, in view of the failure of so many non-reserve associations, it is the part of prudence for the younger members to take out additional insurance in legal reserve companies.

Bicycle Insurance.

The Ætna Life Ins. Co. of Hartford has introduced a novelty in caring for lives and injuries of its bicycle-riding policyholders. By an extra payment of \$1 annually on every \$1,000 policy, the insured is entitled to double the amount of his policy if the injuries are sustained while riding a bicycle for business or pleasure. If, however, injuries are sustained while in competition for purse or prize, the policy is not forfeited, but one-third of the double amount is payable. This idea seems a good one, and we certainly hope it will be productive of business to this stanch old company.

Life Insurance Business in Oregon in 1897.

Name of Company.	Policies Issued in 1897.		Policies Ceased in 1897.		Policies in Force Dec. 31, 1897.		Premiums Received.	Losses Paid.
	No.	Amount.	No.	Amount.	No.	Amount.		
Aetna Life	24	\$ 56,123	23	\$ 57,500	249	\$ 472,676	\$ 11,624	\$ 20,000
Connecticut Mutual Life . .	59	115,000	25	54,000	171	358,000	10,246	16,654
Equitable Life	338	907,373	174	552,706	1174	3,575,380	113,170	14,000
Germania Life	42	73,000	8	23,500	58	130,152	1,488	10,000
Home Life	3	2,440	9	36,000	105	187,066	5,727	None
Mutual Life	122	323,170	111	440,797	714	2,143,200	70,731	27,508
Mutual Benefit Life	52	117,404	44	182,555	176	540,039	15,338	None
Manhattan Life	95	309,371	66	307,586	242	728,392	22,578	1,300
Massachusetts Mutual Life .	204	372,000	84	195,913	478	1,131,384	36,347	3,000
New York Life	195	546,707	164	599,507	1444	3,600,832	109,246	161,525
Northwestern Mutual Life .	143	283,049	98	218,517	1316	2,790,757	83,555	27,800
Pacific Mutual Life	38	55,896	55	137,129	392	742,881	17,553	12,270
Provident Savings Life . .	22	77,852	16	58,820	41	148,852	3,378	None
Penn Mutual Life	134	275,250	11	16,500	268	633,178	23,323	2,000
Travelers	17	39,000	14	31,000	60	94,997	2,846	None
Union Central Life	9	23,000	6	16,500	38	83,578	2,911	None
Union Mutual Life	49	82,923	32	49,184	292	588,929	11,037	9,061
Washington Life	12	19,227	22	34,404	81	117,225	3,198	2,250
	1558	\$3,678,785	962	\$3,012,118	7299	\$18,067,518	\$544,802	\$307,369

Decline in Amount of Insurance in Force.

UNFAVORABLE RECORD OF TWENTY-FIVE BUSINESS ASSESSMENT ASSOCIATIONS.

The following figures are compiled from the Pocket Chart of Co-operative Associations (Leavenworth Pub. Co., Detroit). The decline in the amount in force in these twenty-five business associations during the past year may indicate that competition is excessive and the competitors are too numerous; but it also indicates a higher death rate and increased assessments. These business life insurance associations cannot successfully compete with the fraternal, neither in expense saving nor in "new blood."

Name of Company.	Year end. Jan. 1.	Am't in Force.
American Life, Syracuse, N. Y.	1897 1898	\$ 1,440,500 820,000
Capitol Life, Springfield, Ill.	1897 1898	2,071,000 1,420,581
Cincinnati Life, Cincinnati, O.	1897 1898	3,000,000 2,946,000
Covenant Mutual Life, Galesburg, Ill.	1897 1898	87,420,375 86,562,075
Elkhart Masonic Mut. Life, Elkhart, Ind.	1897 1898	4,746,000 3,950,000
Equitable Mutual Life, Waterloo, Ia.	1897 1898	10,274,080 7,436,291
Federal Life, Davenport, Ia.	1897 1898	2,702,000 2,509,000
Franklin Benefit, Duluth, Minn.	1897 1898	579,000 323,500
Hartford Life, Hartford, Conn.	1897 1898	92,060,005 90,067,600
Jewelers' & Tradesmen's, New York, N. Y.	1897 1898	4,024,110 3,710,300
Keystone Mutual Benefit, Allentown, Pa.	1897 1898	3,317,500 1,737,000
La Crosse Mutual Aid Ass'n, La Crosse, Wis.	1897 1898	109,575 87,975
Maine Benefit, Auburn, Me.	1897 1898	11,352,000 10,500,378
Mercantile Benefit Ass'n, New York, N. Y.	1897 1898	7,492,000 5,670,750
Mutual Benefit, Toledo, O.	1897 1898	2,413,000 2,242,000
Mutual Life Ass'n, New York, N. Y.	1897 1898	1,210,500 783,500
Mutual Reserve Fund Life, New York, N. Y.	1897 1898	325,026,061 301,567,101
Mutual Union Ass'n, Rochester, N. Y.	1897 1898	381,950 27,925
National Life, Hartford, Conn.	1897 1898	32,505,590 25,028,221
National Mutual Life, Minneapolis, Minn. . . .	1897 1898	6,684,500 6,232,250
Northwestern Mutual Relief, Madison, Wis.	1897 1898	13,886,500 12,778,000

Northwestern Traveling-men's Association,	1897	12,480,000
Chicago, Ill.	1898	11,880,000
Omaha Life,	1897	3,021,200
Minneapolis, Minn.	1898	2,329,700
United States Life,	1897	7,037,000
Davenport, Ia.	1898	4,233,750
Young Men's Mutual Life,	1897	2,952,000
Cincinnati, O.	1898	2,821,000

Semi-Annual Statement of the Preferred Accident Ins. Co.

The Preferred's semi-annual statement, as compared with that of last December, shows marked increase in both assets and surplus. It is as follows:

Assets.	June 30, '98.	Dec. 31, '97.
U. S. Reg. Bonds	\$220,000.00	\$225,000.00
N. Y. City Bonds	170,672.79	106,197.04
West Shore R. R. Bonds	10,825.00	10,750.00
St. Louis Bonds	1,000.00	1,000.00
Cash in Bank	121,006.72	147,675.81
Cash in Offices	5,637.73	4,314.40
Interest Due	5,787.44	3,968.25
Prem. in course Collection	67,043.33	70,986.50
	<u>\$603,973.01</u>	<u>\$569,892.00</u>
Liabilities.		
Reinsurance Reserve	\$269,911.00	\$266,501.87
Reserve for Claims	42,037.00	43,850.00
Com. on Premiums in course of Collection	16,760.83	17,746.62
Surplus to Policyholders	275,264.18	241,793.51
	<u>\$603,973.01</u>	<u>\$569,892.00</u>

LIFE AND CASUALTY NOTES.

THE American Life Association of Syracuse has reinsured.

THE Travelers lost \$40,000 by the *La Bourgoigne* collision.

THE plate glass compact, long ago cracked, has finally been shattered.

THERE is talk of new premium rates by the Northwestern Mutual Life.

NINETY per cent. brokerage is reported in Chicago, and there is jealousy because 100 per cent. is given in New York.

THIRTY-EIGHT years of continuous service with the company is the record of Vice-President Wemple of the Manhattan Life.

ACCORDING to Pres. McCall of the New York Life the life insurance companies will pay over a million dollars war stamp tax.

THE Fidelity & Deposit recently issued a \$500,000 bond on the city treasurer of St. Paul. Another Baltimore company assumes half the risk.

THE Weekly Benefit Society, a struggling and we believe honestly managed San Francisco society, has been absorbed by the Fidelity Mutual Aid.

THE Los Angeles Life & Accident Company, lately in a comatose state, has applied to the courts for authority to change its name to the Decimal Life Ins. Co. It reinsured its few members in the late Bankers Alliance.

THE Modern Woodmen society has organized an accident branch, which will promise, at an estimated cost of only \$8 per annum, \$3,000 death indemnity and \$20 a week for disability. They can't fulfill this promise even if there are no expenses. More trouble and failure.

AN IOWA transferred policyholder of the Bankers Alliance growled loudly because his \$5.65 per quarter rate to \$10.75 by the Guaranty Fund. The growl was sufficient, and the reinsurer charged the old rate, as per notice dated February 1. So says our Des Moines contemporary.

THE Security Trust and Life Ins. Co. of Philadelphia, an under-average risk enterprise, is eluding the efforts of a syndicate to capture it. The Singery stock, a majority of the whole, has been offered for months for \$30, or three-fifths par value. The Security Trust is a politicians' venture, and has never been notably successful.

THE Northwestern Mutual Life agents met in annual convention last month. Every member who has written \$150,000 of business during the year is the guest of the company. These meetings and their papers and discussions are very helpful. Several recommendations to the company were made by the standing committee.

THE *Insurance Observer* of London says that the Westminster vestry has called a conference of the local authorities of London to consider a plan for municipal insurance to cover liability under the workmen's compensation act, on the ground that the charge of the insurance companies is excessive. The rate covering all employees is only about \$8.70 per \$1,000 of per annum wages.

THE National Life Association of Hartford, ordered out of New York, now asks its policyholders to release it from a portion of its liability under its contracts. The recent examination by the Connecticut department reduced the valuation of its securities to \$100,000. In order to avoid making an assessment

it is now proposed to increase the liens against the policies, 25 per cent. on younger members and 50 per cent. on older.

THE Northwestern Life Assurance company of Chicago has instituted a suit in equity in Philadelphia asking the court to declare null and void a \$10,000 policy, in the application for which, made a part of the contract, it was stipulated that "the practice of any pernicious habit which obviously tends to shorten life," should void the policy. The declaration of the company is, that the insured has violated his contract by the practice of "dissipated habits and an immoral course of living, rapidly destroying his life."

He Gussed He Knew how to Invest His Money.

The life insurance solicitor was received with cold politeness and listened to in a supercilious fashion. Various plans were submitted, duly garnished with brief statements. They should have been attractive, as a secure investment and as protection for the family; but they made no impression. The "prospect" was icy. He dismissed every plan, every form of policy, every argument with the cold remark, hinting of a sneer, "I guess I know how to invest my money." A week later this very shrewd young man invested all his savings in stocks selling at 146. Another week passed and our brilliant financier, who knew how to invest money as well as any life insurance company, became alarmed at the steady slump in the price of his stock, and sold out at about half of what he paid for it.

Connecticut Indemnity Association Tronble.

President Ransom and other directors of the Connecticut Indemnity of Watertown have resigned. Secretary Doherty has also resigned. The association failed to make good a \$50,000 deficiency. What is the matter? Looks bad!

The directors have voted to levy an additional assessment on the members, and Commissioner Betts has so little confidence in the management that he insists on the payment of the assessment proceeds to him in trust.

The accrued claims are now in excess of the association's assets. The New York office has been attached. At least one State has revoked the license of the association, thus proving the value of State insurance supervision is equal to the services of the man who always locked the stable door after the horse was stolen.

MARINE.

Death of W. H. C. Fowler.



THE LATE WILLIAM HENRY C. FOWLER.

Though not entirely unexpected, the announcement of the death of W. H. C. Fowler, the well known San Francisco marine underwriter, on the morning of August the 4th, was a grievous surprise to a large circle of his friends in the city and elsewhere. The deceased had been ill, but had recently been attending to business as usual, and had expressed himself as greatly improved in health.

Mr. Fowler was a native of England, where he began his underwriting career at Lloyds. He came to the United States in 1870, and was for some time employed in New Orleans as an adjuster of marine losses. In 1874 he removed to San Francisco and entered the service of the California Insurance Co. Promotion followed faithful work, and in 1882 he was elected marine secretary. In 1885 he was elected secretary. It may be truly said that Mr. Fowler was wrapped up in the fortunes of that company, and gave its affairs his most loyal and best possible services. The sudden and wholly unexpected reinsurance of the company's business was of course a great disappointment to him; and it is said by his friends that he never was quite himself in the old cheerful way afterward.

Mr. Fowler was a studious as well as practical marine underwriter. Several valuable

papers were written by him for marine underwriters' associations, and a number of articles appearing in the *Coast Review* during the past ten years and more were from his pen.

At the time of his death Mr. Fowler was the general agent of the Austrian Phoenix Royal and Imperial Privileged Ins. Co. of Vienna and the Mannheim Ins. Co. of Germany. He was San Francisco correspondent of the South British Ins. Co.

Mr. Fowler was also president of the Association of Marine Underwriters of San Francisco. At a meeting of the members of the association, August 5, a committee consisting of I. Gutte, M. A. Newell and N. T. James, was appointed to draw up suitable resolutions of respect. The purchase of floral decorations was also authorized.

The remains of the deceased were cremated at Cypress Lawn on Saturday, the 5th inst.

Dispute as to Date of Sailing.

(From the *Review*, London.)

A marine insurance case which has been already before public notice, again engaged attention, this time in the court of appeal.

The defendant in the action was a Mr. Blogg, a re-insurer of a cargo of flour shipped on board the *Massacoit* at Newport News, Virginia, for delivery in London. The policy of re-insurance was dated 24th April, 1896, and it was to cover all risks to cargo on board the ship named "at and from ports of the United States to ports in Europe," and to cover all sailings "on and after the 1st March, 1896." The *Massacoit* left the wharf on the day before she sailed; that is to say, on the 29th February, anchored in mid-stream, and went off the next day. The ship was lost at sea, and was never again heard of.

The question was whether her leaving the wharf on the 29th February was the beginning of the sailing. Mr. Justice Mathew had held that it was not. Against that judgment the defendant now appealed.

Lords Justices Smith, Rigby, and Vaughan Williams held that there was no intention on the part of anyone on board the ship to commence the voyage on the 29th. The master had been lost with the ship, but they had the evidence of the pilot, who was on board during the time in question, and it was clear from the latter's evidence that there was no intention whatever of commencing the voyage when the vessel left the wharf to go into the stream. They therefore dismissed the appeal with costs.

UNCLASSIFIED.

Mutual Reserve Fund Life Resignations.

They may and they may not mean anything, but the several resignations of prominent officials of the Mutual Reserve Fund Life Association will arouse the wondering attention of the members. Vice-President James, Treasurer Vrooman and Agency Manager Moss have suddenly resigned.

Fidelity & Casualty Company's Gains.

The semi-annual statement of the financial condition of the Fidelity & Casualty Company, for the six months ending June 30, shows large gains in assets and surplus and reinsurance reserve. Early in the year the three million post was passed in the matter of assets.

The company now has \$3,135,100 in assets. Of this large amount \$1,819,299 is invested in stocks and bonds, set forth in detail in the statement. The net surplus is \$588,343.

The cash income for the six months was \$1,754,805, indicating \$3,500,000 income for the year, a gain of about half a million. The assets gained nearly \$170,000. The surplus has gained about \$100,000. The reinsurance reserve has gained nearly \$40,000. The Fidelity & Casualty has more than trebled its resources and business in the past ten years. These are gains which could have been made only by fair and liberal dealings with claimants.

The Pacific Coast department, in charge of S. C. Pardee, resident manager and attorney, with offices in the Mutual Life building, San Francisco, continues to do a flourishing and satisfactory business.

SUCCESSFUL WAVE MOTOR.—Down at Santa Cruz there is a new wave motor which seems to solve the problem. It pumps steadily, and lifts water to a height of 125 feet. A larger motor with a heavier float could doubtless lift the water to a much greater height. There seems to be great possibilities in this invention for coast towns. Sewers can be flushed, sewage can be pumped, streets can be sprinkled, fires can be extinguished, and power can be generated, from reservoirs filled with sea water by a motor that requires no fuel and no engineer, and works night as well as day. Santa Cruz owns this motor, having built it for the patentees as an experiment.

Washington Insurance Department Request.

The San Francisco fire offices received about the first of the month a letter from the insurance commissioner of Washington, calling their attention to the standard policy form clauses not in accordance with the provisions of the valued policy law of the State. These loss and appraisal clauses, as the commissioner admits, are inoperative in the case of a total loss; but, though "the provisions of the statute over-ride and supersede any contrary provisions of the contract," the commissioner says:

"Nevertheless, in order that no advantage shall be taken of any citizen of this State, we desire that you cause to be printed and attached to all policies hereafter written or renewed on property in this State a slip containing the following: 'It is hereby agreed on the part of the company issuing the policy to which this slip is attached that any provisions of said policy in conflict with the statutes of the State of Washington are distinctly held and acknowledged to be inoperative and of no avail.' We would prefer that the provisions of the policy providing for an appraisal and adjudication be entirely stricken from the policy, but as this would necessitate an expense of quite large proportions, which must finally fall upon the policyholders, we will be satisfied with a compliance with the above request."

The request was promptly complied with by the underwriters, though the slip does not actually make the legal rights of the Washington policyholder a whit stronger. We may be permitted to add, without offence, we trust, a wonder as to how any loss other than building total could be settled, in the event of disagreement, if the policy provisions relating to appraisal were stricken out as suggested.

One of Many Libel Suits.

In the course of its twenty-seven years' existence the *Coast Review* has been compelled to criticise many men and insurance companies. Such criticism, honestly made, is one of the duties which this

journal owes to its readers and the public generally. This journal, as in duty bound, has also warned the public against both men and companies. We are sure that all our readers will acquit us of any charge of failure to perform such duties, and will likewise acquit us of any possible charge of malice. Where an error has been made, which can not always be avoided by even the most careful and conscientious journal, the evidence of such error has resulted in immediate and cheerful correction. The *Coast Review* has warned its readers against over a hundred—perhaps nearly two hundred—companies or associations which subsequently failed. It has prevented more than one swindling scheme from getting a foothold, and it has seen several swindlers sent to the penitentiary. The *Coast Review* has done a good work in these respects, though at some risk and without other reward than the approval of conscience and the applause of its readers.

The *Coast Review* has believed it to be a part of its duty to criticise the conduct of several insurance departments and to impugn the motives of several insurance commissioners—among them, the California insurance department and its present chief. We do not believe that it has been conducted in the interest of the public nor according to law, and the commissioner's exasperating conduct has provoked severe criticism. The commissioner has resented this, by bringing suits for alleged libel. At the preliminary examination in the court of Judge Conlan, the committing magistrate, as we were going to press last month, Mr. Edwards of the *Coast Review* waived examination and was bound over, in \$2,000 bail, for trial before superior court and jury.

According to *El Investigator*, La Mexicana, a sort of a level premium life insurance company ten years old, has reinsured the \$800,000 Mexican business of the defunct Massachusetts Mutual Benefit Life Association, in the proportion of three-fifths or the amount the premium would buy of level-premium insurance, for a year

for nothing. We are invited to excoriate La Mexicana, and while we think the act of the managers imprudent in the extreme, and likely to produce disastrous effects, yet our pen loses its point and the ink-stand goes dry, at the reflection that big sound American companies are said to be giving brokers 75, 90 and even 100 per cent. in New York and other Eastern cities.

The Provident Savings Agency.

Vice-President Tillinghast of the Provident Savings Life Assurance Society of New York has been spending several weeks in this city. Mr. Tillinghast came to the Coast to appoint a successor to Geo. L. North as manager of this department of the society, Mr. North having retired to engage in other business. After conferring with several life managers and friends of the company here and considering a number of applications for the position, Mr. Tillinghast has appointed Carl C. Gross of this city as manager in this field. Mr. Gross is well known in life insurance circles in California, having been engaged with Manager Forbes of the Mutual Life for the past ten years. He is a young man, a thorough student in his chosen profession, an energetic worker, and fully competent to look after the society's interests in this field. The *Coast Review* congratulates Vice-President Tillinghast on his selection of manager and Mr. Gross on being placed in a position of trust and responsibility which will doubtless prove beneficial to himself and satisfactory to the society.

San Diego County Fire Insurance Co.

There was once a farmer who went to town under the conviction of "the necessity of a cheaper and safer" pair of trousers. On a by-street there stood waiting for him and his kind a dealer in cheap clothing. The shop-man pounced upon the farmer and dragged him into the store, and sold him a pair of "all wool" trousers at cost--trousers that fit the farmer like the paper on the wall. For a day or two the farmer was pleased with his purchase, though his vanity was quickly

hurt by the discovery that his knees bagged to three parts of the compass and looked like deformities. Then a shower gave the garment four or five colors, the variety and blending of which were not altogether pleasing to a plain man. A week later, while in town, he was obliged to buy a paper of pins to stick the garment together, and found his way back to his wagon via the alleys and unfrequented streets in order to avoid arrest for exposure of his person. We are bound to relate this story, even at the risk of a libel suit.

We are reminded of the foregoing experience of a bargain-hunter, by the perusal of the constitution and by-laws of the San Diego County Fire Insurance Company. It begins thus, with a reference to a long felt want, like the salutatory of a new country paper:

"Whereas, The farming community of San Diego county have long felt the necessity of cheaper and safer fire insurance than that which they now have, and also the necessity of retaining at home the large sums of money annually taken from them without adequate compensation."

This is a thin disguise, for "we have long felt the need of providing employment for Mr. So-and-So," who will find it by selling the farmer cheap fire insurance--until the farmer has had one experience, like the members of the old inglorious California Farmers Mutual, which died in a blaze of assessments and was buried amidst the mournful sounds of litigation.

The real authors of this thirsty venture in a dry land are not known to us, but we note the name of H. W. Cottle among the incorporators. Mr. Cottle can certainly give his fellow-members some pointers, for he has been connected with more than one fire mutual long since dead, buried and forgotten.

Here are some things worth noticing: Art. 8 of the constitution provides that "the property, personal and real, of each member of the company, shall be liable for the assessments made upon him." This seems harmless enough, but it may

have a painful meaning for the members before they are quit of liability. Bad underwriting and a reduced membership may end in excessive losses and expensive lawsuits and judgments. It is well to think of these things now. Art. 13 provides that "a director shall be entitled to one dollar for each application and survey made, upon which a policy is issued, when the distance is one mile or less, and a mileage fee of six cents per mile when the distance exceeds one mile." If insurance in force be at any time less than \$50,000 the company will dissolve. Only three-fourths value will be insured, only three-fourths loss will be paid. Section 13 of the by-laws provides that where loss is less than \$200 the president and secretary shall adjust the same. If loss is more, a committee of three "disinterested" members will be appointed to adjust the loss. On failure to agree, three "disinterested" arbitrators are to be selected. This is puzzling. The reader is invited to assist us in imagining the existence of a "disinterested" member determining a loss which he must himself contribute pro rata to pay!

The board of directors are mainly residents of Escondido and Chula Vista. S. W. Haines of the latter postoffice is secretary.

We are well aware that nothing that we can say will prevent the organization of this mutual company. Indeed, we have no wish to prevent it. The more there are of such mutual companies, the more "copy" for the *Coast Review*, the more news, the more failures and litigation. But as a public journal, making a specialty of insurance, it is our duty to inform the people of San Diego county that the average losses on farm property in California are 65 per cent. of the premiums; that the companies as a whole have not made any money on country business in California and elsewhere; and that farm losses are almost invariably total. We further ask them to glance at the list of recent mutual failures printed elsewhere in this issue.

LIFE.—Tabor's 3 Systems, cloth-bound, \$1.50

Internal Revenue and Fire Insurance.

The committee on laws and legislation of the New York Board of Fire Underwriters has notified the members that it was advised by counsel that the questions submitted have been passed upon by him as follows:

1. No stamp is required upon a certificate of stock issued in lieu of one cancelled, when the issue is made in the ordinary way by the same corporation which issued the original certificate, upon a transfer to a new owner or to the old owner desiring to combine or subdivide his original shares.

2. The consent of a company to an assignment of a policy does not require a stamp.

3. Such consent given when the assignment has not been stamped would expose the company to liability if there were any evidence of an intent to evade the provisions of the Stamp Act. If the consent is given on production of the assignment by the assignee I think that fact would strongly tend to establish the existence of the intent.

4. The following clause requires a stamp:
"The interest of . . . (assured) is now vested in . . . as the owner . . . (Signed) . . . Manager . . . Fire Insurance Company."

5. In matters of "assignment or transfer" the basis of the tax is the unearned and not the original premium. The unearned premium is the premium "charged" and the "rate" is the percentage and not the amount originally paid.

6. The word "transfer" in the proviso under the paragraph "mortgage or pledge of land" includes an indorsement changing the nature of the property insured. It does not include an indorsement changing the location of the property insured.

7. In the case of open policy entries on which certificates are issued the entry requires a stamp and the certificate does not.

8. If the certificate is stamped the entry requires a stamp also.

9. The clause in fire insurance policies, "Loss if any payable to . . . mortgagee," need not be stamped.

10. Proofs of loss require no stamp. The notarial certificate attached thereto requires no stamp unless it is a certificate required by some "Federal, State or municipal law."

11. Allowance in any manner for documentary stamps other than those of the denomination of two cents cannot be made. There is no provision in the War Revenue law for redemption of documentary stamps. Agents can cancel stamps in place of the home office.

In most, if not all, of the above cases, Mr.

Davies has consulted the Commissioner of Internal Revenue and the latter has ruled on the points stated to the confirmation of counsel's opinion. An interesting feature in connection with question No. 9 is that the Mutual Life has insisted on stamps in such cases basing the requirement, it is stated, on an opinion given by an associate of Mr. Davies.

A Country Fire Department.

One of the chief reasons urged for a reduction of rates in the average country town is the alleged efficiency of its fire department. This claim usually provokes a smile. The average village fire department, whether consisting of a bucket brigade or of carts, hose and water supply under pressure, is generally hopelessly inefficient. As an organization it is more social than practical, and as a fire protection it is more ornamental than useful. But after saying this, we are prepared to admit that any form of fire protection is better than none, and should be recognized in the adjustment of rates. To ignore such protection would be both unwise and unjust; to recognize it quickly and fairly is one of the surest ways to promote further improvements and to win the respect and sympathy of the people for underwriters' boards.

The writer recently saw a country town fire department turn out in response to an alarm. Somebody ran a long way to the hose-cart house, to ring the bell and direct the firemen. Time lost, ten minutes. At last the citizens were seen dragging the carts to the fire. Everybody seemed to be a boss. There was much shouting. Reaching the scene of the fire, the hose was quickly unreeled and the cart was rolled up to a hydrant. One end of the hose was seized by excited men and carried into the burning building. More shouting. Away sped a man with the big nozzle and disappeared in the building. Confused shouting to the left; loud calls in the direction of the hydrant; men seen gesticulating frantically. Still no water in the hose. Somebody cried "Take out the kinks!" The kinks were straightened, but no water came. Meantime the fire was increasing. A small boy appeared on the roof with a garden hose. A tiny stream of water was directed by the lad, and the crowd below cheered. On another part of the roof an old man, carrying a chemical extinguisher, began work. The flames were now seen on many parts of the roof. Down the street, carrying the end of the hose and dragging a trail of it behind, came men running from the fire-plug; out

from the blazing building came running men with the other end of the hose. Meeting, they exchanged ends and ran back. A few seconds later the water was rushing through the hose and a strong stream quickly quelled the flames. The "firemen" had made a little mistake, and had begun unwinding the hose at the fire instead of at the hydrant. They found they could not attach the wrong end to the hydrant. Ordinarily, in the case of an Oregon pine building, the delay would have resulted in a total loss; but in this case the material was redwood and the loss was only partial.

Accounts for the Extraordinary Death Rate.

"Where are you going?" asked an Eastern pilgrim on meeting the plague one day. "I am going to Bagdad to kill five thousand people," was the reply. A few days later the same pilgrim met the plague returning. "You told me you were going to Bagdad to kill five thousand people," said he, "but instead you killed fifty thousand." "No," said the plague, "I killed only five thousand, as I told you I would; *the others died of fright.*"

Here we have a hint of the extraordinary death rate of some of the assessment insurance associations. A normal death rate, when the association has about ceased to grow, increases the cost; there is well grounded apprehension; the sound members withdraw in fright in great numbers. The assessment plague accomplishes its deadly work, and with a reduced membership and an increased percentage of impaired lives, the death rate increases enormously, and the association staggers on to dissolution. If the members remained loyal, and were not afraid of the plague, they would prolong the existence of their society. But that is all. It is impossible to make any assessment insurance society permanent except by conversion into a fixed premium enterprise, with an adequate reserve for the older lives.

The margin of profit in fire underwriting is too narrow for safety. A two per cent. fall leaves no profit; unusually heavy losses will deplete surplus funds and will bankrupt more than one company. The present low average profit means loss for many companies, failures for some, and unpaid claims for a number of policyholders. Property-owners don't always buy indemnity when they buy policies at rates that leave no profit.

LIFE.—Tabor's 3 Systems, cloth-bound, \$1.50

July Fires.

Washington.

18. Aberdeen, cooperage plant:
 Manchester \$ 500
 Pennsylvania 1,000
 Royal 1,000
 Aetna 2,000
 Liv. & Lon. & Globe . . . 500
 Norwich Union 1,000
21. King co., shingle mill:
 North British \$514
27. (June) Maple Valley, bldg:
 Hartford \$303
5. Pasco, fr store bldg & conts:
 Home Mutual \$1,000
28. (June) Palouse, br bldg:
 Lancashire \$900
27. Prairie, fr shingle mill:
 American Central . . . \$1,000
 St. Paul 1,000
 Lion 500
14. Tacoma, fr dwg and conts:
 Manchester \$700
14. Tacoma, dwg:
 Niagara \$600
24. Seattle, soap factory and contents:
 German-American . . . \$1,750
 Transatlantic 1,000
 Svea 1,000
 National 500
 Fireman's Fund 1,000
 Hamburg-Bremen . . . 1,750
24. Seattle, fr bldg:
 Helvetia \$500
26. Willie, mill and conts:
 Imperial \$1,500
2. Seattle, fr dwg:
 Union, London \$1,000
4. Tacoma, fr dwgs and conts:
 London & Lancashire . . \$936
7. (June) Seattle, fr dwg:
 London & Lancashire . . \$750
9. Walla Walla, bldg & conts:
 Hanover \$700
12. Walla Walla, dwg:
 Imperial \$644
- Losses under \$500 . . . \$8,656
 Total Washington . . \$34,203

Oregon.

23. Portland, dwg:
 Imperial \$698
- Portland, fr bldg:
 Hartford \$300
- Portland, dwg and conts:
 Home Mutual \$1,000
28. (June) Portland, stock:
 Fire Association \$500

15. Ashland, hotel, store, conts, etc:
 Palatine \$ 500
 Springfield 700
 Queen 500
 London Assurance . . . 623
 Hartford 440
 Royal 1,030
- Ashland, fr saw mill:
 Hartford \$1,000
7. Albany, fr opera house:
 Royal \$1,552
 Fireman's Fund 500
11. Antelope, gen'l fire:
 Manchester \$1,000
 Royal 1,500
 Pennsylvania 600
 Queen 1,000
 Phenix, London 2,000
 Providence Washington 700
 New Zealand 1,500
 German-American . . . 5,420
2. Eugene, fr dwg:
 Liv. & Lon. & Globe . . \$663
31. La Grande, fr dwg, barn, horses, etc:
 New Zealand \$1,400
- Myrtle Point, fr dwg:
 Liv. & Lon. & Globe . . \$885
- Columbia co., farm dwg:
 Fire Association \$800
21. Marshfield, fr dwg & conts:
 London & Lancashire . \$1,700
 Western 1,000
13. Suro. bldg and mdse:
 United States \$1,000
6. Pendleton, hhd farm:
 German-American \$616
- Losses under \$500 . . . \$10,783
 Total Oregon \$42,210

Montana.

18. Belgrade, grain elevator:
 Hamburg-Bremen . . . \$3,100
 Ins. Co. North America 2,344
 Hartford 2,500
 Fire Association 2,500
 Queen 2,500
 Royal 2,500
26. Butte, stock paint and mdse:
 National \$2,000
 Ins. Co. North America 1,000
 North German 2,000
29. Bozman, tanners stk & bldg:
 Aetna \$500
 Lion 750
- Butte, br bldg:
 London & Lancashire . . \$750
1. Near Butte, dwg and furni:
 Union, London \$1,200
- Butte, bldg:
 Fire Association \$600
10. Butte, bakery:
 Springfield \$500
25. Findley, bldg and stock:
 Fire Association \$2,500
- Great Falls, fr dwg:
 Transatlantic \$800
10. Sand Coulee, fr dwg & furni:
 American. Pa. \$600
- Jefferson co., farm dwg:
 Philadelphia Underw. . \$1,100
1. Near Livingston, store bldg and machinery:
 Thuringia \$2,000
25. Livingston, electric plant, insurance as follows (with re-insurance) and a loss of about 65 per cent.:
 Connecticut \$2,500
 Magdeburg 6,125
 Atlas 6,125
 Thuringia \$12,250
25. Lewistown, fr dwg & conts:
 Phenix, Hartford . . . \$1,200
- Park co., bldg and contents:
 Fireman's Fund \$2,000
- Losses under \$500 . . . \$6,321
 Total Montana . . . \$58,000

Idaho.

12. Wallace, fr slaughter house:
 Liv. & Lon. & Globe . . \$892
- Losses under \$500 . . . \$1,635
 Total Idaho \$2,527

Utah.

26. Mt. Pleasant, gen'l fire:
 Franklin \$1,000
 Fireman's Fund 3,100
 Royal 1,000
 Hartford 2,800
- Ogden City, mdse:
 London & Lancashire . \$1,000
30. (June) Juab co., fr dwg:
 Sun \$500
19. (June) Park City, gen'l fire:
 St. Paul \$2,000
 American Central . . . 2,000
 London & Lancashire . . 600
 Fire Association 3,200
5. Salt Lake City, meats and grocery:
 Thuringia \$584
- Losses under \$500 . . . \$1,564
 Total Utah \$19,348

Hawaii.

6. Honolulu, fr dwg and conts:
 Hartford \$250
- Losses under \$500 . . . \$275
 Total Hawaii \$525

British Columbia.

13. Victoria, fr grocery and post office:
Connecticut \$500
6. New Westminster, dwg conts
Etna \$1,530
- Losses under \$500 \$600
- Total Brit. Columbia \$2,630

Colorado.

10. Boulder, bldg and barn:
National, Hartford . . . \$655
- Losses under \$500 . . . \$1,515
- Total Colorado . . . \$2,170

Arizona.

- Losses under \$500 . . . \$331

New Mexico.

- Losses under \$500 . . . \$388

Alaska.

- Losses under \$500 . . . \$205
- Total Outside Territory \$163,292

California.

25. Amador co., boarding-house:
Milwaukee Mechanics . \$500
15. Benicia, fr dwg:
Northern Assurance . . \$500
26. Anaheim, school bldg and furni:
Fireman's Fund . . . \$ 750
German-American . . . 1,200
Pennsylvania 750
29. Beekwith, general fire:
Svea \$ 700
Hartford 4,050
Royal 1,100
Fireman's Fund 6,825
6. Bakersfield, livery stable:
Transatlantic \$1,700
- Anaheim, fr bldg and conts:
London & Lancashire . \$1,500
7. Cambria, creamery:
Norwich Union \$ 750
Pennsylvania 1,000
25. Crockett, dwg, saloon and contents:
Palatine \$1,000
Scottish Union 1,186
Connecticut 550
Thuringia 500
Liv. & Lon. & Globe . . 1,700
15. Dutch Flat, fr school-house and contents:
Liv. & Lon. & Globe . . \$3,600
12. Kern co., fr bldg:
Thuringia \$500

6. Corning, gen'l fire:

- Atlas \$2,000
Liv. & Lon. & Globe . . 721
Franklin 1,350
Williamsburg City . . 1,350
Sun 2,000
London & Lancashire . 2,325
St. Paul 500
Thuringia 2,000
Hartford 2,346
Etna 849
National 1,300
Springfield 1,800
Lancashire 500
Palatine 997
Manchester 3,800
Pennsylvania 1,000
Phoenix, London 807
New Zealand 1,000
Fireman's Fund 3,232
Northern Assurance . . 1,100
Home Mutual 2,417
Orient 999
Caledonian 1,750
American, N. J. 1,000
Milwaukee Mechanics . 1,395

Total \$38,538

4. Dunsmuir, gen'l fire:

- Palatine \$1,520
Williamsburg City . . . 700
Home Mutual 1,950

6. Kern City, gen'l fire:

- Greenwich \$ 500
Union, Pa. 600
Sun 500
Liv. & Lon. & Globe . . 600
Thuringia 500
Orient 1,500
Phoenix, London 500
Pennsylvania 900
Magdeburg 3,200
North British & Mere. . 1,100

23. Kingsbury, br bldg:

- Franklin \$1,250
Williamsburg City . . . 1,250

12. Fresno, fr dwg and conts:

- Liv. & Lon. & Globe . . \$665

5. Fruitvale, fr dwg:

- Northern Assurance . . \$1,400

4. French Camp, fr bldgs and gen'l mdse:

- Milwaukee Mechanics . \$1,100
American, Pa. 1,250
Svea 1,250

19. Forest Springs, fr dwg:

- Magdeburg \$650

9. Forest Hill, dwg:

- Pennsylvania \$600

24. Los Angeles, fr dwg:

- Royal Exchange \$3,000
Prussian National . . . 1,500

7. Fowler, fr dwg:

- New York Underwriters \$500

17. Grangeville, fr store and gen'l mdse:

- Etna \$2,600
Caledonian 1,000
American, N. J. 1,000
Manchester 2,000
Norwich Union 2,000
Hartford 1,000

11. Gonzales, fr bldgs:

- Home Mutual \$2,000

25. Grass Valley, fr dwg:

- Lancashire \$1,095

Glenn co., dwg contents:

- Etna \$650

5. Los Angeles co., fr dwg, etc.:

- American, Pa. \$925

8. Los Angeles, fr dwg:

- American, Pa. \$1,000

26. Livermore, fr dwg:

- Lancashire \$1,000

13. Lake co., dwg:

- Pennsylvania \$2,000

11. Lindsay, gen'l mdse:

- Commercial Union . . . \$2,500

Los Angeles, fr dwg:

- Transatlantic \$2,000

25. Los Angeles, dwg & conts:

- London Assurance . . . \$1,325
Connecticut 3,000
Northern 1,000

25. Los Angeles, plumbing, etc.:

- London Assurance . . . \$600

4. Los Angeles, store:

- Helvetia \$1,150

4. Los Angeles, hhd furni:

- Union, London \$500

7. Los Angeles, fr dwg & conts:

- Sun \$1,023

22. Merced co., dwg, hay, barn, etc:

- Palatine \$540
Pennsylvania 500

25. Merced, fr carpenter shop:

- Liv. & Lon. & Globe . . \$1,000

25. Merced, fr dwg:

- Commercial Union . . . \$500

17. Meridian, fr dwg:

- Hartford \$300

3. Marysville, dwg conts:

- Imperial \$750

24. East Oakland, fr dwg:

- Magdeburg \$655

30. (June) Novato, dwg:

- Pennsylvania \$700

25. Nevada City, hhd furni:

- American, Pa. \$1,100

6. Marysville, gen'l fire:	30. (June) San Jose, fr dwg and contents:	12. San Bernardino co., dwg and contents:
Royal \$1,000	English-Amer. Underw. . \$500	Norwich Union \$1,105
Manchester 944	16. San Jose, dwg:	24. Sonoma co., dwgs:
Pennsylvania 1,500	Helvetia \$505	Pennsylvania \$600
Caledonian 944	25. Roseville, fr hotel & stable:	11. San Bernardino, fr bldg:
Union, Pa. 500	Manchester \$1,300	Lancashire \$2,223
Helvetia 1,484	Fireman's Fund 600	4. Sonora, dwg:
Magdeburg 1,589	5. Pleasanton, gen'l mdse:	Hamburg-Bremen . . . \$1,375
Prussian National . . . 1,013	Royal \$1,296	27. Sonora, fr dwg:
London & Lancashire . . 2,173	Queen 2,269	Liv. & Lon. & Globe . . \$700
National 3,333	20. Placer co., fr dwg:	5. San Leandro, fr dwg:
Springfield 1,637	Commercial Union . . . \$2,950	Sun \$2,362
Milwaukee Mechanics . . 600	25. Placerville, fr dwg and hhdld furni:	11. Soledad, blgs, gen'l mdse and saloon:
Imperial 3,000	Liv. & Lon. & Globe . . \$1,500	Queen \$2,000
Total \$20,017	Thuringia 573	Royal 1,000
18. East Oakland, dwg:	Aachen & Munich . . . 1,483	National 1,106
Ætna \$1,200	24. Red Bluff, dwg conts:	Hartford 1,000
27. Nevada City, dwgs & conts:	Home \$701	13. Stockton, dwg:
Norwich Union \$1,602	Ins. Co. North America . 625	Atlas \$1,000
24. East Oakland, dwgs:	3. Pasadena, fr dwg:	4. Stockton, blacksmith shop:
Atlas \$2,000	Phoenix, Hartford . . . \$2,200	Queen \$710
5. Sacramento, warehouse and factories:	23. Pasadena, fr dwg:	Lancashire 500
Palatine \$ 500	Phoenix, Hartford . . . \$500	4. Stockton, fr dwg and sheds:
Connecticut 500	7. Redding, dwg:	New Zealand \$576
Union, London 2,000	Royal \$1,400	30. (June) Yuba co., crop:
Alliance 2,250	New York Underwriters . 300	Hartford Fire \$149
Springfield 1,750	San Diego co., dwg & barn:	Yreka, dwg contents:
National 1,250	Royal \$750	Ætna \$800
Commercial Union . . . 3,250	10. San Jose, fr dwg:	Westport, fr dwg:
22. Sacramento, br hotel, furni, etc:	Home \$700	Home Mutual \$500
Hartford Fire \$300	30. (June) Sausalito, dwg and furni:	21. Willets, fr lodge bldg & saloon
Liv. & Lon. & Globe . . . 677	Aachen & Munich . . . \$1,335	Palatine \$706
2. (May) Sacramento, hop house:	4. San Jose, fr dwg:	Royal 500
Lion \$850	Ins. Co. North Amer. . \$1,767	Pennsylvania 500
8. Sacramento, fr dwg & conts:	3. San Jose, stock groceries:	2. Woodland, baled hay:
Sun \$1,200	Alliance \$1,500	Norwich Union \$1,776
6. Sacramento, fr dwg:	18. San Bernardino, fr dwg and contents:	Tehama co.:
Union, London \$1,100	Phoenix, Hartford . . . \$643	Fireman's Fund \$600
21. Pomona, olive mill and stock olive oil:	13. San Mateo co., fr bldg, stable and contents:	7. Santa Clara co., dwg, barns and contents:
American, N. Y. \$ 975	Thuringia \$1,350	Atlas \$1,000
Springfield 1,500	25. San Jose, fr dwg and conts:	6. Summer, fr bldgs and gen'l mdse:
National 1,000	Thuringia \$1,164	Williamsburg City . . . \$ 888
Manchester 975	4. San Jose, stock mdse:	Franklin 700
16. Near Redwood City, dwg:	Williamsburg City . . . \$500	Atlas 1,000
Atlas \$1,000	Franklin 200	Caledonian 500
12. Plumas co., barn, etc:	9. San Diego, bldg:	Manchester 500
Svea \$1,150	Franklin \$450	Losses under \$500 . . . \$68,369
12. Tracy, dwg:	14. Sanger, fr dwg:	Total California, S. F. ex. \$314,854
Pennsylvania \$700	Liv. & Lon. & Globe . . \$500	
5. Petaluma, fr dwg:	27. Santa Clara co., fr barn and hay:	<i>San Francisco.</i>
Magdeburg \$1,250	Liv. & Lon. & Globe . . \$2,000	4. Dwelling:
5. San Leandro, dwg conts:	6. San Diego co., dwg conts:	Fireman's Fund \$500
Imperial \$1,000	Ætna \$800	4. Dwelling:
7. Tulare, fr dwg and contents:		Royal \$585
National \$1,500		
North British 1,000		

3. Dwelling contents:	
Aetna	\$537
4. Not stated:	
Lancashire	\$800
Frame dwelling:	
Hartford Fire	\$750
7. Dwelling:	
Aachen & Munich	\$720
4. Frame dwellings:	
Magdeburg	\$1,080
4. Frame dwelling:	
Transatlantic	\$700
4. Household furniture:	
Fire Association	\$607
8. Building and contents:	
North German	\$753
9. Building:	
Franklin	\$660
14. Foundry:	
Aetna	\$501
Transatlantic	500
New Zealand	500
26. Machinery, cars, elevators, etc.:	
Palatine	\$ 600
New Zealand	1,000
Pennsylvania	500
Manchester	500
British America	1,200
Machinery:	
Franklin	\$200
New York Underwriters	200
20. Frame dwelling:	
Prussian National	\$906
17. Frame dwelling:	
Thuringia	\$710
16. Frame dwellings and wine:	
Liv. & Lon. & Globe	\$1,750

Losses under \$500	\$18,032
Total San Francisco	\$34,037
Total California	\$348,891
Total Pacific Coast	\$512,183
Total to date, 1898	\$3,073,082
Total to date, 1897	\$2,390,955

Losses by Companies.

Aachen & Munich	\$ 4,280
Aetna	11,367
Agricultural	700
Alliance	5,053
American, N. J.	3,278
American, N. Y.	975
American, Pa.	6,110
American Central	3,255
Atlas	11,070
Baloise	55
British America	2,082
Caledonian	6,597
Commercial Union	10,458
Connecticut	10,837
English-Amer. Underw.	600
Fire Association	13,402
Fireman's Fund	26,763
Franklin	5,810
German Alliance	531
German-American	13,080
Greenwich	805
Hamburg-Bremen	6,809
Hanover	1,165
Hartford	18,266
Helvetia	2,834
Home, N. Y.	2,122
Home Mutual	13,205
Imperial	7,970
Ins. Co. North America	6,391
Lancashire	9,040
Law Union & Crown	283

Lion	2,528
Liverpool & Lon. & Globe	22,724
London & Lancashire	14,847
London	3,384
Magdeburg	16,236
Manchester	12,994
Merchants	201
Milwaukee-Mechanics	4,700
National, Hartford	15,501
New Zealand	6,979
New York Underwriters	1,064
Niagara	628
Northern	4,368
North German	2,731
North British & Mercant.	5,087
Norwich Union	10,297
Orient	2,829
Palatine	10,312
Pennsylvania	16,905
Philadelphia Underwrit.	3,100
Phoenix, Hartford	6,642
Phoenix, London	4,781
Providence-Washington	1,329
Prussian National	4,780
Queen	10,328
Royal Exchange	4,456
Royal	18,738
Scottish Union & Nation'l	1,620
Springfield	9,877
St. Paul	3,797
Sun, London	8,374
Svea	6,226
Traders	449
Transatlantic	7,650
Thuringia	12,837
Union, London	8,548
Union, Pa.	1,982
United States	1,217
Williamsburg City	4,688
Western	2,471
Total	\$512,183

San Francisco Half-Year's Premiums.

BY AGENCIES FROM JANUARY FIRST TO JULY FIRST.

Wm. Macdonald.	1st 6 Mo. Prems.
London & Lancashire, English-	
Amer. Underwrit., Norwalk	1898 \$125,268
	1897 65,510
C. F. Mullins.	
Commercial Union of London,	
Commercial Union of New	
York, Alliance	1898 \$ 78,796
	1897 50,262
Voss, Conrad & Co.	
Thuringia	1898 \$ 74,152
	1897 25,368
Rolla V. Watt.	
Royal, Queen	1898 \$ 67,633
	1897 39,503

B. Faymonville.

Fireman's Fund, Rhode Island	
Underwriters, Ins. Co. State	
of Penn., Boston	1898 \$ 62,869
	1897 35,930
Frank W. Dickson.	
Royal Exchange	1898 \$ 56,715
	1897 22,744
Rudolph Herold, Jr.	
Hamburg-Bremen	1898 \$ 56,705
	1897 28,698
Mann & Wilson.	
Lancashire, Teutonia	1898 \$ 54,801
	1897 25,617
Wm. J. Landers.	
Imperial, Lion	1898 \$ 48,417
	1897 30,528
Cesar Bertheau.	
Aachen & Munich, Hanover	1898 \$ 47,685
	1897 34,360

L. B. Edwards.			L. L. Bromwell.		
Manchester, Caledonian, American, N. J.	1898	\$ 46,761	Milwaukee Mechanics	1898	\$ 23,330
	1897	19,416		1897	1,739
H. K. Belden.			R. C. Medcraft.		
Hartford Fire	1898	\$ 44,800	Scottish Union & National	1898	\$ 21,807
	1897	16,398		1897	10,259
Chas. D. Haven.			W. J. Callingham.		
Liverpool & London & Globe	1898	\$ 44,524	Sun, Orient	1898	\$ 21,328
	1897	26,054		1897	19,644
Butler & Haldan.			T. Edw. Pope.		
Phoenix of London, Prov.-Wash.	1898	\$ 43,719	Pennsylvania, Union of Phila.	1898	\$ 19,118
	1897	19,824		1897	12,527
Geo. F. Grant.			Ed. E. Potter.		
London and Northern	1898	\$ 43,542	Franklin, Williamsburg City	1898	\$ 18,561
	1897	17,474		1897	6,810
Walter Speyer.			J. D. Maxwell Co.		
North German	1898	\$ 41,895	Continental	1898	\$ 16,793
	1897	18,733		1897	8,891
Edward Brown & Son.			W. P. Thomas.		
American, Phila., Svea, Agricultural	1898	\$ 38,189	New Zealand	1898	\$ 16,395
	1897	21,037		1897	13,259
Boardman & Spencer.			Chas. Christensen.		
Etna	1898	\$ 31,265	American Central, St. Paul	1898	\$ 16,009
	1897	18,527		1897	8,309
V. Carus Driffield.			Geo. W. Mitchell Co.		
Transatlantic	1898	\$ 32,365	Home of New York	1898	\$ 14,452
	1897	13,314		1897	9,785
Chas. A. Laton.			Catton, Bell & Co.		
Palatine, Traders	1898	\$ 31,572	Union of London, Law Union & Crown	1898	\$ 14,412
	1897	23,561		1897	8,831
W. Loniza & Co.			G. W. McNear.		
Prussian National, Niagara	1898	\$ 31,526	Merchants, N. J.	1898	\$ 13,159
	1897	11,829		1897	...
Frank J. Devlin.			Baggs & Stovel.		
Atlas	1898	\$ 30,929	American of Boston, Mercantile of Boston	1898	\$ 12,909
	1897	12,465		1897	...
Geo. D. Dornin.			Stephen D. Ives.		
National Fire, Springfield F. & M.	1898	\$ 29,552	Home Mutual	1898	\$ 12,651
	1897	12,364		1897	10,410
Geo. H. Tyson.			Herbert Folger.		
German-American, German Alliance, German-Alliance Ins. Ass'n, United States	1898	\$ 29,540	Phoenix of Hartford	1898	\$ 12,623
	1897	16,180		1897	9,785
W. H. Lowden.			T. C. Shanklin.		
Norwich Union	1898	\$ 29,089	Fire Association	1898	\$ 12,393
	1897	10,822		1897	8,703
Gutte & Frank.			Jas. D. Bailey.		
Magdeburg of Magdeburg, Magdeburg of N. Y.	1898	\$ 27,095	Ins. Co. North America	1898	\$ 11,595
	1897	17,106		1897	6,551
Tom C. Grant.			H. C. Keller.		
North British & Mercantile	1898	\$ 26,977	Westchester	1898	\$ 11,131
	1897	16,760		1897	9,385
Syz & Co.			Benjamin J. Smith.		
Helvetia-Swiss, Baloise	1898	\$ 24,707	Connecticut	1898	\$ 8,913
	1897	16,059		1897	9,531
G. W. Turner.			Davis & Henry.		
N. W. National	1898	\$ 24,365	Victoria, Greenwich	1898	\$ 8,316
	1897	12,272		1897	1,543
			Winfield S. Davis.		
			Assurance Company of America,		
			National Standard		
				1898	\$ 597
				1897	...

Massachusetts Insurance Commissioner on Assessment Insurance.

In the last life report of this department was given a brief but comprehensive history of the rise, progress and decay of the scheme of assessmentism, as exhibited in its application to life insurance by corporations formed in this Commonwealth; and there were pointed out the causes which provoked the origin of this plan of attempted family protection, its fatal, inherent weaknesses, and the ignorance, folly, delusions and greed that hastened its decadence. There is little left now but to record the wrecks of the year, and the fruitless and disappointing efforts in this Commonwealth of the few young survivors.

As indicated in that report, the entire sixty-two assessment life corporations formed under the original law, with the additional fifty-six which perpetrated the assessment endowment and bond impostures, as well as an almost innumerable, inconsequential swarm of ephemeral schemes that were incubated under the various changes of the law, have almost wholly disappeared.

As to the cause of failure, that is easily apparent, and is the same as must inevitably bring a like result to any plan of whole life insurance which does not provide in the early policy life for the inexorably heavier cost as age brings on the increasing rate of mortality. The old saying, "Nothing succeeds like success, and nothing fails like the lack of it," has its full application here. As long as these associations were going on increasing in volume and paying their obligations with heretofore unimaginable cheapness of cost, no word but commendation was heard from their members for the transcendent sagacity and intelligence that could achieve such wonderful results in thwarting the mortality and multiplication tables and making one dollar do the work of two in purchasing insurance. But when the inevitable day of settlement came, the glamor was dissipated and the facts stood out in their unrelenting and discouraging reality. The disenchantment is now complete, and with at present only four small companies of this sort, and those of recent formation and of comparatively trifling extent, the community can now in clearer atmosphere review the past and draw conclusions for guidance of their future course in respect to life insurance protection and the proper legal restrictions to be applied thereto.

Perhaps it is not too much to say that they have already done so; for, taking into account the four Massachusetts assessment companies

just spoken of, and the nine companies of other States admitted to do business under our assessment law, the total net increase of membership in this Commonwealth for the year 1897 was 203, while there was a loss of \$687,537 in insurance in force. The details of the results achieved by the companies cannot but be of interest at this juncture; and the following table is inserted without further comment except to remark that, as only 16,665 policies of assessment life companies are alive in all this Commonwealth,—a less number than one of the fraternal has in force in the same territory,—it would seem to be an exceedingly favorable time to take such action with reference to a revision of the assessment law as experience has shown to be wise and needful.

Convictions by the Anti-Rebate Court.

[From the Standard.]

In view of the general criticisms made upon the ineffectiveness of the anti-rebate agreement between the life insurance companies, the *Standard* has collated and republishes below a complete list of the convictions of the referee since the signing of the agreement in October, 1895. The total number of convictions is twenty-nine. About eighty per cent. of the complaints filed with the referee resulted in convictions:

April 7, 1896—C. M. Ferguson, Equitable; April 7, 1896—Alfred Todhunter, New York Life; April 7, 1896—J. C. McKowen, Mutual; May 20, 1896—E. A. Grant, Jr., Mutual; June 25, 1896—Thomas J. Finney, Mutual; Oct. 7, 1896—Charles B. Gallagher, Mutual; Dec. 29, 1896—Charles H. Collins, Home; Jan. 15, 1897—George H. Seymour, New York Life; Jan. 15, 1897—Henry Barnet, Mutual; Feb. 20, 1897—J. F. Freeze, Phoenix; May 28, 1897—G. C. McKelvey, Equitable; May 28, 1897—W. D. Macomber, Equitable; May 28, 1897—G. C. McKelvey, Equitable; May 28, 1897—Joseph A. Conroy, Equitable; July 8, 1897—H. R. McMurtrie, Equitable; July 8, 1897—H. R. McMurtrie, Equitable; Sept. 28, 1897—M. L. Hurd, New York Life; Sept. 28, 1897—M. L. Hurd, New York Life; Oct. 10, 1897—Gerald McFennell, Mutual; Oct. 19, 1897—J. Weisner, New York Life; Oct. 19, 1897—B. F. Carter, Equitable; Dec. 13, 1897—A. E. Bracket, Union Central; Feb. 28, 1898—M. E. Gooding, Mutual; Feb. 28, 1898—E. T. Murchison, Mutual; March 18, 1898—H. L. Praeger, New York Life; March 18, 1898—W. L. May, New York Life; March 18, 1898—W. B. Pearson, New York Life; May 19, 1898—Putsen E. Asher, Equitable; June 10, 1898, Lester R. Swank, Equitable.

The Adjuster: When a man becomes a public character his official acts and the deeds of his life become public property—amenable to criticism—to be condemned fairly, frankly and fearlessly or to be commended.

Elizur Wright on Life Insurance.

We can always return to Elizur Wright, the father of modern life insurance, with perennial interest and profit. Here are samples:

The mathematical key of life insurance is the same as that which unlocks the mystery of the stability of a gambling bank, to wit: that the value of a chance or probability may be expressed by a ratio or fraction, certainty being expressed by unity. For example: By the above scale of mortality, of 55,973 persons that have completed the age of 60, only 35,837 will live to complete the age of 70. As it is presumed that each individual of the former number has as good a chance of being one of the latter as another, the chance of a person at the age of 60 living to be 70, is as 35,837 is to 55,973, or $35837-55973$ of 1; that fraction of the certainty. One dollar payable certain at the end of ten years, is worth, assuming interest at four per cent. per annum, about $67\frac{1}{2}$ cents, but if it be payable only on condition that a person now aged 60 be alive to pay it, it is worth only that part of $67\frac{1}{2}$ cents which is expressed by $35837-55973$, the probability of his being alive. In short, it is worth $35837-55973 \times 67\frac{1}{2} = 43\frac{1}{4}$ cents. Hence, plainly, if a person, on reaching the age of 60, agrees to pay a premium of one dollar at the beginning of each year that he lives, to find the present value of that contract to the company, we must add to the dollar he pays down the present worth of every other dollar which he has any chance of paying, multiplied by the fraction which expresses the chance of his living to pay it. The sum is the present value of an annual premium of one dollar, commencing at once, by a person aged 60, or what a company, apart from the question of expense or profit, could afford to pay for it. But the payer of an annual premium does not usually ask for a sum down, and if he did, would not get it without giving ample security to fortify his promise of paying the annuity. He only asks that the company should, at the close of the year in which he dies, pay a certain sum to his heirs, provided he continues to pay the annual premium or annuity during his life; and the question is what the company can afford so to pay him. To ascertain this, let us inquire what is the value of one dollar to be paid by the company in any particular year, provided a person aged 60 dies in that year, for example, at the age of 70. Of 55,973 persons alive to complete 60 years, 2,327 will die in the eleventh year

after that, or between 70 and 71; therefore the chance of any person alive at 60 dying in the eleventh year after that, is as 2,327 to 55,973, or it is $2327-55973$ of unity or certainty. Now the value of one dollar payable certainly at the end of the eleventh year, at four per cent., is about 65 cents; hence the chance of having to pay it at that particular time, is now the same to the company as $2327-55973 \times 65$, about two cents and seven mills, or to be more exact, it is $\$0.027005$. The chance of having to pay the dollar in every other year in which the death may happen, by the table, being valued in the same way, the sum of all these values will obviously be what it is worth to insure one dollar to a person aged 60, payable at the close of any year in which he may die, that price or premium to be paid at once. For, in insuring a sum whenever the death may happen, the company takes all the chances; and it must take them, not in the aggregate or lump, but as they are distributed by the table.

If the expenses are within the "loading," and the vitality of the insured so exceeds that of the assumed law as to make the losses less from year to year, it is plain there must accrue a surplus of funds, even should interest not be realized beyond that of the assumed rate. But if at the same time the interest on investments amounts on the whole to six or seven per cent., [it is now only five] while the assumption at the basis of the premium is four per cent., (and with some companies in this country it is as low as three per cent.) there must be a quite rapid accumulation of surplus. This surplus, in the case of mutual companies, belongs to the insured from whose premiums it has accrued, and in proportion to the amount paid by each multiplied into its time. If it should not be divided, but continue accumulating till those who were the first contributors to it, and for that reason probably are most largely interested, have dropped away by death, or by the lapse or surrender of policies, a wrong will be done, which, though not so frightful as bankruptcy, may be as extensive in its transfer of property from the hands of its owners to those of strangers. The liability to this over-accumulation grows out of the necessity of a very large accumulation of funds beyond the losses during the early years of any company. Even a stock company must not divide the whole excess of its premiums over current losses, but reserve a large part to accumulate at interest, otherwise it does in effect divide its capital.

Covenant Mutual of Galesburg.

Examiners from seven States' insurance departments recently overhauled the books and looked into the affairs of the Covenant Mutual Life Association of Galesburg, Ill. They vouched for the association and its managers, for honesty and solvency and prudent investments; and even went so far as to say: "There is no reason that we can see why success should not follow its efforts in the future."

The seven commissioners in their supplemental report are not quite so enthusiastic. They score the managers for their long deference to hard kickers, and say of the present rates that, though approved by actuaries,

"We cannot assure the post-mortem members that future increased assessments may not be made if an emergency should arise, owing to epidemics or otherwise."

Commissioner Campbell of Michigan refers to this report as follows:

"There would seem to be in this report little inducement to new members. I cannot conscientiously make a flattering report as to the prospects of the association. The officers have undoubtedly been honest, and have done all they could to put the company on a living basis and repair its past mistakes; but with an impaired membership, with contracts insufficient to pay losses and expenses, and with practically no reserve, the outlook is not one of great promise. The losses and expenditures from January 1 to May 10, 1898, exceed the total receipts of the association by nearly \$100,000. With but \$325,000 of net surplus—such rapid dissolution can not long continue. If, however, the membership of the association has not become too impaired by age and infirmity, and the healthy and insurable ones will remain persistent and pay their increased rates, the company will survive. But if the reverse shall happen, the company cannot control the fates that await it. To know what will be done by the insurable members is the unknown factor."

Damage Award of \$1,000.

Jacob Wolf, who sued the Aachen & Munich et al. for alleged damages to his unsweet reputation, was awarded \$1,000 by a Portland jury, who thought this particular Wolf was an injured lamb. Wolf and his fire and all the scandal thereof will be recalled by the reader. The Aachen Munich was one of the defendants sued by Wolf after his indictment by the grand jury and subsequent acquittal by a sympathetic jury of his peers. The damages award was in the nature of a compromise to secure an agreement by the jurymen. The damages claimed by the sensitive Wolf was \$50,000. Special questions for the jury to

answer were: "Was the indictment instigated by the defendants or any of them." Answer, "We are unable to answer." "Were any improper means resorted to by defendants to procure false testimony? If so, what witness was so procured, and in what did the corrupt or improper conduct consist?" Answer, "We are unable to answer." But the jury, which could not say that the indictment was instigated by defendants, nor that defendants had been guilty of any improper conduct, were sure that Wolf's reputation had been hurt \$1,000 worth and that the defendants ought to furnish the poulitice. Thus does this bulwark of our liberties warn insurance companies against resisting losses which they believe fraudulent, and also warn them against assisting in the prosecution of men whom they believe to be incendiaries.

New Bound Volume of the Knapsack.

"The Knapsack"—A collection of original short stories, sketches, anecdotes and essays. Contributed by the members of the Fire Underwriters' Association of the Pacific, and printed by order of the Association.

This is a handsome book of some 300 pages, bound in cloth and printed on "egg" paper, from new type selected for this work. It was printed at the *Coast Review* printery.

Editor Grant closes the work as follows:

"And thus ends the first volume of the *Knapsack*. Its sarcasm is without sting; its wit is harmless; its pathos melts only the softest heart. As a whole, it is intended to bring for the moment a sensation of pleasure to a 'body of men' buckled into harness, tugging with might and main. If in the reading of it, the spontaneous laugh can for but one instant speak the complacent mood, then is the mission of *The Knapsack* fulfilled, and it has 'danced in the sunbeams' to some purpose."

The "historical" chapter tells us that *The Knapsack* was proposed at the third annual meeting of the Fire Underwriters' Association of the Pacific in February, 1879, in the form of a motion by L. L. Bromwell. The "publication" was authorized as "a repository." Col. C. Mason Kinne was the first editor; in 1886 Geo. F. Grant succeeded him; in 1888 E. W. Carpetter was in charge, and A. J. Wetzlar in 1889 and 1890. Since then, Geo. F. Grant has been editor and Edward Niles assistant editor.

This very entertaining volume is a compilation of good things appearing in this annual

since it was started nineteen years ago. A brief glance at its pages affords ample evidence of the good judgment and excellent taste of the compiler. The reader is quite ready to say of each story, joke or rhyme or song, "It could not be spared." We know, however, that owing to the determination to keep the book within 300 pages it was necessary to omit many good things.

The edition is limited: the book will probably never be printed again; and the reader is therefore advised to immediately write to Sec. Meade or other official of the association for a copy. You want it for your library: you can spend many odd minutes most agreeably looking over its contents. There is no book like it in the world.

Of the contents of this gem of insurance works, the most of our readers will readily recall the following with the wish to re read them, among other equally characteristic tales with the true *California Knapsack* flavor: "Sunshine in the Business," "A Bar Story," "Diamond Cut Diamond," "The Underwriter of the Future," "John Scott Wilson's Speech," "Damascus Badlam," "Character Sketches," "Old Joe Brown," "An Arizona Adjustment," "A Colorado Adjustment," "A Nevada Adjustment," "A Piety Hill Adjustment," "The Chicken Dispute."

"Loss of Hand."

In 1894 a Rochester, N. Y., carpenter lost all the fingers of one hand by a steam planer. He held a policy in the Travelers Ins. Co., whereby he was to receive \$10 a week for disability for twenty-six weeks, or in the event of "loss by severance of one entire hand or foot, one-third of the principal sum of \$2,000." The Travelers refused to pay the carpenter's claim, alleging that the loss of all the fingers of one hand did not constitute the loss of an entire hand.

At the trial in the county circuit court in January, 1895, evidence was produced showing the loss of over half the hand and that the remainder was entirely useless. The presiding judge, however, directed judgment and dismissed the complaint, holding that as a matter of law the injuries were not such a loss of the entire hand as was contemplated in the policy.

An appeal was taken to the general term, which reversed the ruling of the lower court. It was held that as some men might decide from the evidence that for all practical purposes to which a hand is adapted there was

an entire loss, while other men might conclude that neither in the anatomical construction nor use as a hand was it entirely destroyed, the question was one of fact for the jury. Therefore it was erroneous for the lower court to decide the case as a matter of law. The court of appeals last month gave final judgment in favor of the plaintiff on this opinion.

Insurance Papers.

Insurance refers to the New York rate war under the heading, "Anti-Fat Remedy." It says: "Will there be a new tariff association? Yes, some time. But surpluses are too large just now. The companies are fat. When they get lean, they will feel the need of leaning on one another. The effects of the anti-fat treatment will begin to show in next year's statements."

Insurance Herald says: "Courts did not make McNall; courts could not make him. God did not make him; that is, did not directly make him, perhaps through some inscrutable doubt of the perfection of the design. . . . He found himself the melancholy occupant of a world in which everybody was wrong but he."

As we thought from the make-up and name of *Accident Assurance*, the editor is an Englishman. He is now visiting his native heath. It is a worthy print.

Chips.

—General Agent Keller of the Westchester returned last week from a two-months' trip in the Pacific Northwest.

—Dixwell Hewitt, assistant manager of the Phoenix Insurance Co., left for Salt Lake City on July 30th, to be absent in Utah and Montana about six weeks.

—Manager Wayman of the Merchants has returned from an extended trip through Washington, Idaho and Utah, and reports business good and prospects better.

—J. W. Hicks of Osborne & Hicks, managers of the Phoenix Mutual Life, will leave in a few days for Oregon with the view of opening up some agencies in that State.

—General Agents Baggs & Stovel have removed to commodious offices at 411 California street. These gentlemen represent, as general agents, the American Insurance Company and the Mercantile F. & M. Ins. Co., both of Boston. They also represent, as city agents, the Law Union & Crown, Manchester, Franklin and the Union of London. For the Law Union & Crown they are exclusive city agents.

—Assistant General Agent Bagley of the North British returned last week from a three-months' trip throughout the Southwest.

—H. F. G. Wey, assistant secretary Niagara, passed through San Francisco on 29th ult. on his way to Victoria, B. C., where he will spend a month's holiday with his family.

—General Agent Clarence M. Smith of the Northwestern Mutual Life has returned home after a ten weeks' absence in the East. He visited all the principal cities of the East, and reports business in all lines improving.

—Wendell Hall, who represented many leading fire insurance companies in Spokane for a long period, joined the U. S. Engineer Corps and departed for Honolulu on the 4th inst., after calling upon his friends in San Francisco.

—The J. D. Maxwell Co. have made an enviable record for the Continental Insurance Co. for the twelve months ending their counting year, July 31st, 1898. Premiums net \$39,245.42. Losses incurred and paid \$1,449.84, or less than 4%.

—Supt. of Agencies Jno. T. Fogarty of the Royal and Queen, returned on the Doric from Honolulu, where he spent a month in the interests of these companies. Jno. S. Walker, the leading agent of the Hawaiian Islands, represents the Royal.

—Noble Hill Eaton has been appointed San Francisco agent of the Continental Ins. Co. by the general agents, the J. D. Maxwell Co. Mr. Eaton has been in the insurance business but a few years, and has built up a fine list of attractive lines and desirable clients.

—George F. Ashton, whose many friends were glad to see him resume active work by the acceptance of an office position with the Phoenix Insurance Co. on June 1st, has been compelled, under the advice of his physician, to seek complete rest in an institution at Napa.

—The war with Spain has had no effect on the business of the Preferred for the month of July and from the outlook at present the business written this month will exceed that written during June. San Francisco as usual heads the honor roll for June. The statement of the Preferred for six months ending June 30th, 1898, will be found on another page. It shows an increase in both assets and surplus, and is the best showing the Preferred has yet made.

—Assistant Manager Fuller left last week for an extended business trip through the Northwest field.

—Editor Coast Review: The paid solicitors still exist, and this class will be responsible for an early disruption of the Board. WARNING.

—Manager L. B. Edwards, during his recent visit to Denver, appointed R. E. Hall special agent of his companies for Colorado, Wyoming, Utah and Montana, with headquarters at Denver.

—The recent examination of the Travelers of Hartford by the Connecticut, Wisconsin, Illinois and Missouri insurance departments, shows gross assets in the life department to be \$19,007,478.67, and in the accident \$4,569,090.87.

—His many friends on the Coast will be pleased to learn of the election of G. W. Mansfield as secretary of the Milwaukee Fire Insurance Company. Mr. Mansfield still retains his position as superintendent of agencies of the Milwaukee Mechanics Ins. Co. During the past few years Mr. Mansfield has visited this State a number of times, in the capacity of superintendent of agencies of the Milwaukee Mechanics, and made a host of friends in this field.

—The Niagara Fire Ins. Co. of New York, through its Western department at Chicago, I. S. Blackwelder, manager, has divided this territory into two fields, one consisting of California, and the other will embrace Oregon and Washington, the local agents in both fields reporting to Chicago office. The California field will remain in charge of Frank N. Rust, special agent and adjuster. Oregon and Washington will be looked after by W. H. Raymond, special and adjuster, with headquarters at Portland, Or.

—The National Association of Local Agents, representing eighty delegates, held its third annual meeting in Detroit last month. Overhead insurance was discussed. The secretary said that "many State associations of local fire insurance agents have prevented obnoxious legislation," the proof of which we should much like to see. But the secretary truly spoke when he said, "The only way of securing the respect of the American politician is through a united front." The appearance of power is like the sight of a whip. The assertion that New Hampshire was the first to pass a valued policy law was an inexcusable error.

—Fires keep the underwriters busy paying losses.

—August promises to be a very warm month for Coast underwriters.

—Dawson now has 25,000 population. Skaguay has had a conflagration.

—The Hartford Fire has renewed its reinsurance contract with the Home of Utah, for three years.

—The Connecticut Fire increased its net surplus nearly \$80,000 during the six months ending June 30.

—The printed statement that the California farm premium often runs up to \$300 or more is not "a romance."

—The Agricultural's semi-annual statement shows total assets of \$2,279,304, and \$493,755 net surplus, a gain of some \$59,000.

—Attempts have been made to burn the Church of the Immaculate edifice, Seattle, corner Broadway and Madison streets.

—Manager Beddall of the Royal will read a paper on foreign companies at the insurance commissioners annual convention, next month.

—Publisher Edwards has a brand new gun, loaded—for deer. He is hunting in Sonoma county.

—Manager Thomas of the New Zealand is lame, from a sprain caused by a slip on a rolling pebble as he was stepping into a street-car.

—Since organized, the Pacific Coast department of the Preferred Accident has paid \$71,862 in claims. The list of causes is very interesting—especially to bicycle riders.

—Manager Stolp of the National Life went to Minneapolis last week, as a delegate of the San Francisco Life Underwriters Association to the annual convention of the National Association on the 17th, 18th and 19th inst. Manager Stolp will return via the Northwest and superintend the Washington and Oregon agencies of the National Life.

—The Home Fire of Salt Lake lost its suit to restrain the county treasurer from collecting taxes on the company's unearned premiums. The defence was that in case of loss by fire or of cancellation the premiums would not be collected. Judge Cherry held that the same defence could be applied with equal force to promissory notes, book accounts and other promises to pay.

—Assistant General Agent Wright of the Sun has returned from a month's trip into southern California and Arizona, where the hot weather played havoc with his health.

—Manager B. J. Smith of the Connecticut Fire Insurance Company has moved the Pacific branch office to 411 California street, where he has furnished commodious and handsome apartments.

—James A. Macdonald, president of the Queen Insurance Company of New York, will make a combined business and pleasure trip via the Great Lakes and Canadian Pacific, to British Columbia and the Pacific Coast this month. Manager Watt will probably join Mr. Macdonald at Victoria.

—There were thirty-two special agents in the Walla Walla wheat district looking for growing grain insurance last month. They made it so warm for the farmer, that such notices as these were placed on the front gates: "No growing grain insurance men wanted, move on," and "We are insured, don't bother us."

—The Preferred has reason to congratulate itself on the failure to renew of two policyholders. Two of the passengers on the ill fated *La Bourgogne*, Father Kessler and Gaspar Behr, both of New York city, had held policies in the company, but both had recently allowed them to lapse. Had these policies been continued in force their estates would have been richer by \$10,000 each.

WANTED:—By an experienced man, position as Collector, Surveyor and Solicitor with Fire Insurance Company. Moderate salary.

Will furnish horse and buggy. First-class reference.

Address "COLLECTOR,"
this Office.

TO LEADING COMPANIES.—First class Insurance Collector and Solicitor, controlling fair amount of Fire and Marine Business, among influential connection, and qualified to act as "special," desires a change of engagement. Is open to identify himself and connection with a leading office. Others will please not reply. Inquiries treated strictly in confidence. Address first instance "Special," 2226 Buena Vista Ave., Alameda, Cal.

—Wheatland, Cal., business section burned.

—Lesley Bates, special for Gutte & Frank, is in Montana.

—The Magdeburg Fire of New York has joined the Fire Underwriters of the Pacific.

—Special Agent Niles of the North British left last week for a three-months' trip in Utah, Montana, etc.

—General Agent W. J. Callingham of the Sun and Orient has gone on an extended trip into the Northwest.

—Why a title guarantee company should call itself an "insurance" company can be explained only on the assumption that "guarantee" is not a popular corporation name.

—The new bound volume of *The Knapsack* contains only selected goods—no hard-tack. A neat book, printed from new hand-set type on "egg-shell" paper. Just the thing for an insurance man's library.

—Big fire in the packing-house district of Fresno, Cal. Large insurance loss. Ice-houses, lumber-yards, wood-yards, grain warehouses, grain, raisin packing-houses, cars, merchandise, and machinery.

—Manager Landers has appointed W. F. Zwick special agent for the Imperial for Washington (other than Columbia river counties), and also for eastern Oregon and northern Idaho. Mr. Zwick is of Seattle. Special Agent Toll Thompson will give attention to the State of Oregon (other than the eastern portion), and also to the counties in Washington bordering on the Columbia river.

—The Cohn claim (Alameda, Cal.) was settled last week for \$67,500. The loss occurred in March of last year. The dwelling was a mansion and had been extravagantly furnished many years ago. It was built when materials and labor cost much more than now. The insurance on contents was settled after some delay. As a sample of the claimant's idea of values, we may cite the claim for the cost of carpets laid twenty years ago. The loss on the dwelling was left to two appraisers, the companies' offer not being accepted. The two appraisers never agreed on a third. Finally the claimant offered to take an amount slightly in excess of the builders' estimate, and the offer was accepted and the claim settled. The companies kept their contract by paying the loss as determined by experts.

—Capt. Caine and his Utah troopers have gone to the Yosemite.

—Tabor's Three Systems, \$1.50, at this office. Very useful to any life agent.

—You can send five five-cent postage stamps for a copy of the *Coast Review* or *Chart*.

—The Chicago Guaranty Fund Life has increased its assessments to natural premium rates.

—The annual income of the great Mutual Life is equal to one dollar for every man, woman and child in the great German empire.

—A German university insures its students against accidents on its grounds, including those of the gymnasium and dueling field.

—The New York Life recently wrote \$200,000 on the life of a Western man. The first premium was \$18,118. Half the line was re-insured.

—Michigan rates have been reduced in fire protected towns. Michigan premiums will therefore be about \$300,000 less, it is estimated, unless more insurance is written.

—Some daily police gazettes having in some way squirmed out of the war tax, though selling more papers because of the war, are patriotically indignant because other corporations include the tax as well as other expenses in the price of their goods.

—June Numbers.—We find ourselves short of copies of the *June Coast Review*. If you do not preserve your copy, and have no further use for it, you will greatly oblige us, etc. With six or eight copies on hand we can accommodate applicants who wish to bind complete '98 copies.

—Benjamin Kidd: The European races will gradually come to realize that the tropics must be administered from the temperate regions. There is no insurmountable difficulty in the task. Even now all that is required to ensure its success is a clearly-defined conception of moral necessity.

—"Do We Want Insurance?" was the title of an editorial article in the *Alaskan* of Skaguay. The editor had some doubts; now he has none, for since the article of July 15 a good part of the "city" has burned. There are no hydrants and few buildings are connected with the water supply 1½ inch pipe. It is proposed to put down a large main—when the city councilmen return from the Klondike.

—WANTED—A reliable and experienced man to take charge of and act as

City Agent and Manager

for prominent SURETY AND FIDELITY COMPANY.

Address "M," *Coast Review*.

—Col. Wm. Macdonald, manager London & Lancashire, is spending a few weeks in Mexico, where he went on his wedding trip, the event having taken place in this city on July 20th. The *Coast Review* extends to the colonel and his bride its hearty good wishes.

—A Sausalito (Cal.) man refused to allow the local fire department to use his water to extinguish the flames of a neighbor's house. Result, not many minutes later, his own house caught fire and burned to the ground. Deponent sayeth not that the water-tank was saved.

—STEMMER CASE.—The Oregon supreme court has affirmed the decision of the circuit court in the case of Stemmer v. Ins. Cos., thus ending this litigation. The case is reported in the 53 Pac. Rep. 498. The companies won in both courts. E. P. Farnsworth took an active part in this case.

—The demoralizing effects of the drouth in several California counties are now declared to be over. The farmers have made all necessary arrangements for seeding and to be carried, and are looking hopefully forward. The land has had a rest, and with ordinary winter rains unusually good crops may be expected.

—\$200,000,000 government loan subscribed for six times over in thirty days, nearly half of it in sums of \$500 and under, and the remaining of hundred million odd in sums under \$5,000! There is a record for you.

—That the high Sierras of California have the finest summer climate in the world Manager Cofran, of the Hartford Fire of Chicago, is ready to attest most cheerfully. He has been camping up there for two or three weeks, fishing and hunting and resting, and sleeping in the open air beneath lofty sequoias. Last week he returned to San Francisco, and thence went up to the Country Club grounds, deer hunting, in company with and as the guest of Secretary Faymonville of the Fireman's Fund. It is reported that they got a buck the first day.

A SOUTHERN CALIFORNIA FIRM

...CONTROLLING FINE LINES...

Are desirous of corresponding with a

REPRESENTATIVE FIRE INSURANCE Co.

which is in need of the services of

AN OFFICE OR FIELD MAN.

Address, "A 1 INSURANCE,"

Coast Review office,

San Francisco, Cal.

The City Trust, : : : : : Safe Deposit and Surety Company of Philadelphia.

INCORPORATED 1886.

FULL PAID CAPITAL,

\$500,000.

ASSETS Jan. 1, 1898, \$2,768,690.78

This Company becomes Surety for the fidelity of Officers and Employees of Banks, Trust Companies, Railroad Companies, Express Companies and other Corporations.

It becomes Surety upon Contracts with the different States and Cities and with the National Government. It is accepted as Sole Surety under the Act of Congress passed August 13, 1894.

It is approved by the Courts as Sole Surety for Receivers, Assignees, Committees,

Administrators, Executors, Trustees and Guardians, and in cases of Attachment

Replevin, Appeal, Capias, &c., where bonds are required.

CALIFORNIA DEPARTMENT: = 508 California St., SAN FRANCISCO.

HENRY WADSWORTH, (Cashier Wells, Fargo & Co.) Resident Vice-President.

EDWARD E. POTTER, Resident Sec'y. FREDERICK S. STRATTON, Attorney.

AGENTS WANTED.

THE COAST REVIEW.

—Willsburg, Or., recently had a fire which demonstrated the lack of fire protection. Several incendiary fires have occurred recently. At Sellwood too there is poor fire protection, the hose being worthless.

—James S. Osborn, manager for the Phoenix Mutual Life, has formed a co-partnership with J. W. Hicks and the firm name will be Osborne & Hicks. Mr. Hicks is late from Nashville, Tenn., where he has been engaged in the life insurance business for several years. Both gentlemen are up-to-date life underwriters, and with the old Phoenix Mutual Life back of them we shall expect to record the building up of a very prosperous agency in this field. These gentlemen will establish local and district agencies throughout California, Oregon and Nevada, the territory under their supervision.

—INSPECTION BUREAU.—Chief Inspector Porter of the San Francisco Fire Underwriters Inspection Bureau reports for the six months ending June 30:

Buildings inspected (including 75 new) . . .	14,382
Special hazard surveys published	145
Electrical inspections	865
Changes secured	4,926

Among the changes secured were: gasoline stoves abolished, 16; stovepipe removals and alterations, 876; dangerous lights abolished, 46; steam pipes, gas heaters, gas jets and gas engines made safe, 554; electrical changes, 288; etc. Much of the light fire loss of San Francisco is undoubtedly due to the services of this inspection bureau.

—HAWAIIAN MAP.—Manager Watt of the Royal and Queen makes a timely gift, midway between the January's—a Sandwich, as it were. It is a fine map of the Hawaiian Islands, which were annexed to the United States on July 7. The total area of the island republic is 6,740 square miles, equal to that of Connecticut and Delaware combined, or one-twenty-second of the area of California. The population is about 110,000. Honolulu, situated on one of the smaller islands has 30,000 population, and is 2,000 miles from San Francisco. By the way, a line drawn directly south from the western boundary of Alaska passes west of the islands. San Francisco is the central city of the United States territory, and lies east of midway between the extreme eastern and western longitudinal lines. Manager Watt's seasonable present is a Royal stroke of advertising enterprise.

—Stamps are required on the assignment of an insurance policy, the same as on the original issue.

—Edward Brown & Son, general agents, will move about Sept. 1st to 411½ California street, where they will handsomely and conveniently fit up one of the largest and best appointed offices in the city.

—Enclosed I beg to hand you draft for my subscription to the *Coast Review*. I have taken it for so many years that I cannot do without it. It is certainly worth many times its price to any agent.

A. J. HINDS.

—Vacation time has found many underwriters—managers, generals and specials—hunting, fishing, boating and resting in the mountains and in the summer Coast resorts. Happenings in town have therefore been generally infrequent and unnoteworthy for the past two months.

—RED CROSS.—In the report of the San Francisco branch of this beneficent society we note these acknowledgements: Thanks to Harbor Commissioner Rudolph Herold. Exhibition of "Little Tin Soldiers," by children of Mr. and Mrs. Bertheau, \$171.85. San Francisco fire department, \$500.00. Many insurance managers, agents, brokers and clerks contributed to the funds of this war relief society.

—J. D. Maxwell Co. is the name of a new incorporated insurance agency in this city. The officers and directors are: James D. Maxwell, president; Leonard Everett, vice-president; Horace Wilson, secretary; John C. Currier, Frank W. Sumner, Paul M. Nippert, Ward M. Smith. The corporation represents the following fire insurance companies: Continental, Royal, Williamsburgh City, German Alliance, United States, also the United States Fidelity, United States Casualty and the New York Plate Glass.

—A. J. Hinds, the veteran insurance agent in Santa Cruz, has sold his agency to Harry B. Towne, a popular young man and native son of Santa Cruz. Mr. Hinds has been engaged in the insurance business in Santa Cruz for thirty years. He will make his future home in Oakland, where he will engage in the insurance and real estate business. The *Coast Review* extends to Mr. Hinds its best wishes, and trusts that the opportunities offered by a much larger field will prove satisfactory to him and the companies he represents.

THE COAST REVIEW.

—Counterfeit silver dollars of pure silver, weighing half a grain more than the government token silver dollar, have recently been in circulation in California. Look out for them. Their value is less than 50 cents.

—Louis F. Vetter, general insurance agent at Los Angeles, has been visiting Manager Geo. F. Grant of this city. Mr. Vetter was a guest of Mr. Grant at the Bohemian Midsummer Jinks.

INCORPORATED 1852.



Milwaukee Mechanics' INSURANCE COMPANY.

Milwaukee, Wis.

CASH ASSETS,	.	.	.	.	.	\$2,572,485 96
SURPLUS,	.	.	.	.	.	1,564,834 34
TOTAL LOSSES PAID,	.	.	.	.	.	6,574,371 04

PACIFIC DEPARTMENT: --- 410 California Street, San Francisco.

L. L. BROMWELL, Manager.

CALIFORNIA BRANCH . . .

EQUITABLE

Life Assurance Society of the United States.



Assets over	-	-	\$236,000,000.00
Net Surplus over	-	-	\$ 50,000,000.00



THE EQUITABLE has Largest Net Surplus
and Issues Most Liberal Contracts.

Satisfactory contracts can be made by reliable men to act as Special, District or Local Agents. **Local Fire Insurance Agents** can materially increase their income by representing the EQUITABLE. Apply to

A. M. SHIELDS, Manager,

Crocker Building,

SAN FRANCISCO.

THE COAST REVIEW.

—Thirty cents will buy a cloth-bound pocket expiration book, at this office.

—General Agent W. J. Callingham of the Sun and Orient is visiting his agents in the Pacific Northwest.

—Superintendent Higgins of the Pacific Mutual Life has returned from an extended trip to the Eastern and Southern agencies of his company.

—Assistant Manager Frank W. Dickson has moved the Royal Exchange office down stairs, occupying the whole of the main floor, 501 Montgomery street.

—F. J. T. Stewart, surveyor of the Continental Ins. Co., is spending three months in San Francisco inspecting the special hazards upon the books of the company. He has made a special study of the beet sugar industry in California, and his reports thereof, if published, will make new and interesting insurance history.

—W. W. Hoagland, formerly local agent at Oakesdale, Washington, but recently assisting Special Agent Gilcrest of the Royal and Queen in southern California, has been permanently appointed special agent of these companies for central California, vice Jas. N. Reynolds, now in Chicago. Mr. Hoagland was a model local agent, and gives promise of being a great success in his new field.

—Referring to the telegrams received by the American branch managers from the head office of the Liverpool & London & Globe, instructing them to permit employes to enlist and to pay their salaries meantime, *Flash Lights* suggests a plan of organization of the L. & L. & G. Guards, and names the officers—among them Major-General Chas. D. Haven and Colorbearer-General C. Mason Kinne, of the Coast branch.

—San Luis Obispo (Cal.) refused to accept a chemical fire engine, previously ordered. An economical council succeeded one with more enterprise though possibly with less judgment. The contract price was \$2,175, or a rental of \$100 a month for eighteen months, the rent payments to be credited on the principal. Before the "chemical" was completed, a new council repudiated the contract; later the chemical company made an assignment and annulled the contract. Thus was the credit of San Luis Obispo preserved, though the need of further fire protection seems still self-confessed.

—The Northwestern Mutual Life Ins. Company will begin writing on a 3% standard on January 1, '99.

—LIFE.—In a recent case in the U. S. court at Portland Judge Hanford held that, before forfeiture can be declared for non-payment of premium, sixty days' notice must be given the policyholder. The notice must state what is due, and where it is payable, sixty days before the premium is due; and it makes no difference whether or not any premium has ever been paid. In a somewhat similar case in California the circuit court held also that the beneficiary must receive the same notice to insure a legal lapse.

Manager wanted for city department for large office. Must have experience and control business. Good salary to right party. Applications will be considered confidential.

Address "FIRE INSURANCE,"
this office.

THE Union Central Life INSURANCE COMPANY, Cincinnati, O.

ASSETS, Jan. 1, 1898 - \$18,705,130.31
SURPLUS, 4% Standard - \$ 2,611,370.91

Total Amount Insured - \$106,517,344.00

No Fluctuating Securities
Largest Rate of Interest
Lowest Death Rate

*Endowments at Life Rates and Twenty
Payment Guaranty Policies
Specialties.*

Large and Increasing Dividends to Policyholders

DESIRABLE CONTRACTS and

Good Territory open for LIVE AGENTS.

Address JOHN M. PATTISON, President, or
G. G. PRATT,

Manager Pacific Coast Depart't

405 Montgomery Street

San Francisco.

OUR PACIFIC COAST INSURANCE DIRECTORY.

Fire and Marine Insurance Agencies.			Fire and Marine Insurance Agencies.		
Phone	General Agents and Companies.	Address.	Phone	General Agents and Companies.	Address.
548	Baggs & Stovel American, Boston Mercantile, Boston	411 Calif.	1991	Fireman's Fund Ins. Co.	401 Calif.
5107	Bailey, James D. Ins. Co. North America	412 Calif.	1034	Folger, Herbert Phoenix, Hartford	325 Calif.
334	Balfour, Guthrie & Co. (A. H. Small, Manager) British & Foreign Marine Yangtze, Shanghai	316 Calif.	1015	Fowler, W. H. C. Austrian Phoenix	210 Sans.
354	Belden, H. K. Hartford Fire N. Y. Underwriters Agency	313 Calif.	1632	Grant, Geo. F. London Assurance, London Northern Assurance, London	221 Sans.
272	Bertheau, Cesar Hanover, N. Y. Aachen & Munich Fire	423 Calif.	71	Grant, Tom C. North British & Mercantile Greenwich, N. Y.	212 Pine
427	Boardman & Spencer Etna, Hartford	514 Calif.		Graves, D. W. (Special Agent) Continental, New York	302 Pine
5414	Bromwell, L. L. Milwaukee Mechanics, Wis.	410 Calif.	288	Gutte & Frank Magdeburg, Germany Wilhelma, Germany Kosmos, Hamburg, Germany Associated Assurance Cos., Germany	303 Calif.
1842	Brown & Son, Edward American, Phila. Svea, Sweden Agricultural, N. Y.	407 Montg		Hall, Edward Royal Exchange Portland, Or.	
684	Butler & Haldan Phoenix, London Providence-Washington, R.I.	413 Calif.	38	Harrison, Wm. Greer Thames & Mersey Marine	305 Calif.
1466	Callingham, W. J. Sun, London Orient, Hartford	420 Calif.	666	Haven, Chas. D. Liverpool & London & Globe	422 Calif.
680	Catton, Bell & Co. Union Assurance, London Law Union & Crown	406 Calif.	1184	Herold, Jr., Rudolph Hamburg-Bremen	415 Calif.
195	Christensen, Chas. American-Central, St. Louis. St. Paul F. & M.	317 Calif.	1086	Home Mutual Ins. Co.	318 Calif.
	Coleman, J. D. Home, New York Portland, Or.		336	Lamey, H. T. British America Western, Denver, Col	
5968	Davis & Son, J. B. F. Standard Marine, Liverpool	208 Sans.		Landers, William J. Imperial, London Lion, London	205 Sans.
433	Davis & Watson British America Western, Toronto	221 Sans.	396	Laton, Chas. A. Palatine, Eng. Traders, Chicago	439 Calif.
1100	Davis & Henry Victoria, N. Y. Greenwich, N. Y.	215 Sans.	1597	Loaiza, W. & Co.	216 Sans
1886	Devlin, Frank J. Atlas, London	309 Sans.		Prussian National Niagara	
689	Dickson, Frank W. Royal Exchange, London	501 Montg	5710	Lowden, W. H. Norwich Union	308 Pine
822	Dornin, George D. National, Hartford Springfield, Mass.	409 Calif.	746	Macdonald, William London & Lancashire, Eng. Norwalk Fire English-Am. Underwriters	315 Montg
5817	Driffeld, V. C. Transatlantic, Hamburg Hamburg Underwriters	213 Sans.	720	Manheim, Dibbern & Co. Scottish Union & National	217 Sans.
1991	Dutton, Wm. J. Ins. Co. State of Penn., Phila. Rhode Island Underwriters Boston Marine	401 Calif.	169	Mann & Wilson Lancashire, Eng. Teutonia, New Orleans St. Paul (Marine) La Fonciere Marine L'Universo Marine	322 Calif.
201	Edwards, L. B. American, N. J. Manchester, England Caledonian, Edinburgh	323 Calif.	538	Maxwell, J. D. Continental	421 Calif.
			5639	Medcraft, R. C. Scottish Union & National	319 Calif.

THE COAST REVIEW

A MONTHLY JOURNAL

Devoted to all kinds of Insurance that INSURES. Published on the Fifteenth of every Month.

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PER YEAR . . . \$3.00
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Postage added to Foreign Subscriptions.

J. G. EDWARDS, Proprietor,
Pacific Mutual Building, San Francisco.
Telephone No. 1530.

Vol. 54.

SEPTEMBER, 1898.

No. 3

Annual Statements in This Year's Coast Review.

<i>Ætna Life</i>	February
<i>Alliance</i>	May
<i>American, N. J.</i>	June
<i>Atlas</i>	May
<i>Caledonian</i>	July
<i>Commercial Union</i>	June
<i>Connecticut Mutual Life</i>	March
<i>Connecticut Fire</i>	April
<i>Equitable Life</i>	February
<i>Fireman's Fund</i>	January
<i>Franklin Fire</i>	February
<i>German-American</i>	April
<i>Greeneich</i>	September
<i>Hartford Fire</i>	January
<i>Home Life</i>	February
<i>Law Union & Crown</i>	July
<i>London & Lancashire</i>	May
<i>Magdeburg</i>	May
<i>Manchester</i>	June
<i>Massachusetts Mutual Life</i>	February
<i>Milwaukee Mechanics</i>	March
<i>Mutual Benefit Life</i>	March
<i>Mutual Life</i>	February
<i>National Fire</i>	February
<i>New England Mutual Life</i>	April
<i>New York Life</i>	February
<i>New Zealand</i>	August
<i>North British & Mercantile</i>	June
<i>Orient</i>	April
<i>Pacific Mutual Life</i>	February
<i>Pennsylvania</i>	August
<i>Royal Exchange</i>	May
<i>Springfield Fire</i>	February
<i>Union Central Life</i>	March
<i>Union Assurance</i>	July
<i>Westchester Fire</i>	March

This Year's Index for Life and Casualty Men.

Anti-Rebate Convictions	August
Accidents and Causes	April
Ætna Life Insurance Co.	February, May
American Fraternal League	August
American Aggregate Figures	May
American Legion of Honor	May
American Surety Co.	February
Ancient Order U. W. in California	April, August
Authorized Assessment Ass'ns in Cal.	February
Bankers Alliance Failure	February
Bankers Life Association	January
California Life Business	January, March
California Miscellaneous Business	February
Casualty & Surety Figures	March
Charter Oak Failure	April
Chicago Guaranty Fund Life	February and May
Chosen Friends	April and May
Connecticut Indemnity Ass'n Trouble	August
Connecticut Mutual Life	March
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Denver's Five Assessment Ass'ns	April
Eighty Per Cent. Uninsurable	March
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Employers Liability Assurance Corpora'n	March
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Independent Order of Foresters	January

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New Mexico Figures	June
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Pacific Surety Co.	March
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Preferred Accident Ins. Co.	February, August
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Tontine Insurance System	March
Travelers Litigation	January, June
Union Central Life	March
Union Mutual Life	August
Utah Figures	June
Vigilantes, of Portland	April
Washington Co-operative Life	April
Western Mutual Life	June

Our Digest of Recent Insurance Decisions.

Fire.

Binding When Delivered.

An insurance policy is binding when delivered, though it contains terms and conditions not included in the application, unless they are unusual or extraordinary, as the application is deemed to be for such insurance as, in view of the particulars submitted, the company sells, and with which the purchaser is presumed to be acquainted.—Commonwealth Mut. Fire Ins. Co. v. Wm. Knabe & Co. Mfg. Co., 50 N. E. 516.

Broker Agent of Insured.

Plaintiffs applied to B., an insurance broker, to secure insurance; and B. applied therefore to M., an agent of defendant, who issued the policy. After its delivery, defendant requested M. to cancel and return it; and he went to B.'s

office and told W., the clerk in charge, that he was instructed to cancel the policy, and asked her to get it for cancellation. Held, that W. was not the agent for defendant, but of plaintiffs, so that their instructions to her, not disclosed to M. on her bringing him the policy, did not affect the validity of the cancellation.—Faulkner v. Manchester Fire Assur. Co., 50 N. E. 529.

Subrogation.

A fire loss partially covered by insurance having occurred through the negligence of a railroad company, the owner of the property, by accepting from the railroad company the excess of the loss above the amount of the insurance, and giving a release in full of all damages caused by the fire, conditioned, however, to operate as such only upon payment by the insurance company, did not split his cause of action; and hence the insurance company after paying the insurance, being thereby subrogated to the rights of the owner of the property, could maintain an action against the railroad company to recover the amount of insurance paid the owner.—Atchison, T. & S. F. R. Co. v. Home Ins. Co., 53 P. 459.

Cancellation by Mutual.

A mutual fire policy making the assured a member of the company, and reciting that the policy might be canceled at any time by either party, in which case the premium note given when the policy was issued should be returned upon the payment by assured of all losses, was canceled by the company, and the note returned. Held, that the assured thereupon ceased to be a member of the company, and that an assessment subsequently made, by order of court, to pay losses accruing prior to such cancellation,—the assured not being a party to the proceeding in court,—was not binding on said assured.—Langworthy v. Saxony Mills, 72 Mo. App. 363.

Iron Safe Clause.

An insurance policy provided that the assured should take an inventory of the stock of goods covered at least once a

year during the life of the policy, and should keep books of account, and keep said books and inventory in an iron safe during closing hours. Held, that under these provisions, which must be construed together, the assured was only obliged to take an inventory at some time within a year from the time the policy was issued, and thereafter to keep the books as provided.—*Hanover Fire Ins. Co. v. Dole*, 50 N. E. 772.

The iron-safe clause is not a warranty, and substantial, and not strict, compliance with its terms is required to entitle insured to a recovery.

An insured agreed to keep books showing a complete record of the business transacted, together with the last inventory, locked in a fire-proof safe, or in some secure place unexposed to a fire which would destroy the store, and, in case of loss, on a failure to procure the books and inventory, to forfeit his rights under the policy. Held, that where insured, in excitement incident to a conflagration, accidentally lost the inventory in removing it from such a safe to his residence, in good faith, with a view to its better security, and was innocent of negligence, the policy was not thereby avoided.—*Liverpool & London & Globe Ins. Co. v. Kearney*, 46 S. W. 414.

Insurable Interest.

Assured acquired an ownership in consideration of advancements of money for building and machinery and the payment of debts. His right was disputed, and steps were taken to compel him to surrender it, but he was in possession, claiming sole ownership, and no adverse claim had been successfully asserted against him, and his title had not been judicially declared invalid. Held, that the jury was justified in finding that he had an insurable interest.—*Helvetia Swiss Fire Ins. Co. v. Edward P. Allis Co.*, 53 P. 242.

Other Insurance.

An insurance policy provided that it should be void if insured then had other insurance on the same property, or misrepresented any material fact as to his insurance. Held, that insured was not

bound to inform the insurer of a prior application for other insurance, where he believed it was not accepted.

By subsequently accepting the insurance previously applied for, insured violated the terms of the policy against other insurance.—*Cutler v. Royal Ins. Co.*, 40 A. 529.

Sole Ownership. Overvaluation.

The fact that the insured was allowed to and did use in his business the name of another merely to strengthen his credit did not constitute him other than the sole owner of the insured stock of merchandise.

Where the actual value of an insured stock of merchandise was \$9,000, and the aggregate insurance was only \$5,800, an overvaluation of the property did not invalidate the policy.—*Phoenix Ins. Co. v. McKernan*, 46 S. W. 10.

Mortgagee and Other Insurance.

Where there has been a total loss, the fact that a mortgagee of the premises had insurance on his interest will not reduce the amount recoverable on a policy taken out by the owner, though said policy provided that the company should be liable only for a proportionate amount of the policy in case other insurance were taken out.—*Home Fire Ins. Co. v. Weed*, 75 N. W. 539.

The liability of an insurance company according to a compromise of a loss with the assured, on a policy providing that any loss shall be payable to a mortgagee as her interest appears, is not affected by the fact that the mortgagee was not a party to the compromise, where she is a party to the suit, and the mortgage has been paid.—*Stockton Combined Harvester & Agricultural Works v. American Fire Ins. Co.*, 53 P. 573.

Incumbrance.

Under a provision in a fire insurance policy that if the property is incumbered it must be so represented to the company, and expressed in the policy in writing, or the contract shall be void, a failure to inform the insurers of the existence of a mortgage renders the policy void.—

Baldwin v. German Ins. Co. of Freeport, Ill., 75 N. W. 326.

Vacancy Clause.

A provision in a fire insurance policy that the policy should be void and inoperative during the time the premises remain vacant, without the assent of the insurers, is valid, and during such time the policy is rendered void.—Baldwin v. German Ins. Co. of Freeport, Ill., 75 N. W. 326.

Note and Suspension of Liability.

Where the policy provided that it should be inoperative so long as any portion of the premium, or any note therefor remained past due and unpaid, the company was not liable for a loss occurring after the maturity of an unpaid note given for part of the cash payment.—Mooney v. Home Ins. Co. of New York, 72 Mo. App. 92.

80 Per Cent. Clause.

A "standard guaranty to maintain 80 per cent. insurance," stamped on the face of the policy, which itself insured a percentage above that, does not supersede a provision against other insurance.—Cutler Royal Ins. Co., v. 40 A. 529.

Miscellaneous.

Where an insurance company fails to terminate a policy, for failure of the assured to observe a condition, on receiving knowledge of such fact, the condition will be deemed waived.—Hanover Fire Ins. Co. v. Dole, 50 N. E. 772.

Where a fire insurance policy is rendered void by reason of a violation of its provisions it is not revived by attaching thereto an agreement for the benefit of a mortgagee, without a new consideration therefor.—Baldwin v. German Ins. Co. of Freeport, Ill., 75 N. W. 326.

A party cannot be held estopped to take advantage of a failure to comply with the terms of an insurance policy, or of a forfeiture of rights thereunder, by mere silence, without any affirmative act calculated to mislead the other party. Judgment (1895) 32 N. Y. S. 353, 84 Hun, 322, affirmed.—McAllaster v. Niagara

Fire Ins. Co., 50 N. E. 502, 156 N. Y. 80.

Where a tacit agreement is reached between the agent of an insurance company and the insured upon all points touching the loss except the amount, and the company retains the proofs of loss sent it without objection, the circumstances establish a waiver of appraisal and every other point except as to the manner of determining the amount of loss.—Hartford Fire Ins. Co. v. Cannon, 46 S. W. 851.

The agent of other insurance companies who acts for defendant company in settling a loss, signing the agreement for arbitration, and the adjuster's report, and receiving proofs of loss on behalf of all interested companies, is such an agent of defendant as to render his declarations admissible against it.—Stockton Combined Harvester & Agricultural Works v. Glens Falls Ins. Co., 53 P. 565.

An agent of an insurance company, authorized to effect insurance, countersign policies, and collect premiums, has power to waive proof of loss.—Nickell v. Phenix Ins. Co., 46 S. W. 435.

A dealer may insure his stock against loss by fire although he is a member of a trust to control the price of the kind of goods composing the stock.—Springfield Fire & Marine Ins. Co. v. Cannon, 46 S. W. 375.

An insurance policy covering fixtures of a saloon does not include chairs.

A policy of insurance covering fixtures of a saloon includes new goods of the kind insured.—Manchester Fire Assur. Co. v. Feibelman, 23 So. 759.

The "stationery and boxes" of a glove manufacturer are not included in the term, "all other kinds of implements of trade,"—Stemmer v. Scottish Union & National Ins. Co., 53 P. 498.

Where in a policy, separate valuations are made of pool tables and of fixtures, etc., a breach avoiding the contract as to the pool tables does not avoid the entire

policy.—Manchester Fire Assur. Co. v. Feibleman, 23 So. 759.

A policy, providing by its terms that it shall be invalidated if the insured shall mortgage the property described therein, becomes invalid when any part of the property is mortgaged.—Home Fire Ins. Co. v. Bernstein, 75 N. W. 839.

A policy in which the amount of insurance is stated in the aggregate, but in which a specific amount is also expressed on each of several designated portions of the insured property, is a separate contract as to each division of the property, all the conditions of the policy applying to each of the several contracts.—Home Fire Ins. Co. v. Bernstein, 75 N. W. 839.

The fact of insured's not having a license to sell liquor does not, *prima facie*, affect his right to recover on a policy covering saloon fixtures.

If insured property is so damaged by fire as to render it useless for the purposes for which it has been used, it is a destruction in law.—Manchester Fire Assur. Co. v. Feibleman, 23 So. 750.

A condition against incumbrances is waived by the company's delivering the policy with knowledge of the incumbrance.—German Ins. Co. v. Everett, 46 S. W. 95.

While no action can be maintained on a policy of insurance in which assured agreed to produce their books and inventories, if they fail so to do after loss when requested, yet an accidental omission to produce a book to the adjuster after he has refused to make further examination, because of fraudulent entries claimed to have been found, will not avoid the policy.—American Cent. Ins. Co. v. Ware, 46 S. W. 129.

Waiver of Proofs.

Where the insurance company's adjuster took steps looking to an adjustment of the loss, went to the scene of the fire, examined the ruins, proposed arbitration to assured to ascertain the amount of loss, and sent a man to the

scene to estimate the damages, after which he told assured that everything appeared to be satisfactory, waiver of proof of loss will be presumed.

The placing of the defense to an action on a policy of insurance on the ground that the policy was not in force when the property was destroyed amounts to a waiver of proof of loss.—Helvetia Swiss Fire Ins. Co. v. Edward P. Allis Co., 53 P. 242.

A fire loss was investigated by an agent of an insurance company, who had authority to appoint agents, make contracts of insurance, and settle losses; and the insured executed and delivered to him a paper which was prepared by the agent, and which he called a "proof of loss," and he also stated to the insured that nothing more was required; and the company made no objections, and called for no additional proof. Held, that the statement contained in the paper so signed by the insured, that the company had not "waived any of its legal rights or defenses by investigating my loss for the purpose of getting facts relative to my fire, or amount of stock on hand at time of loss," did not prevent a waiver of formal proofs of loss.—Brock v. Des Moines Ins. Co., 75 N. W. 683.

Replacement.

Under the terms of the standard policy of fire insurance, an insurance company must exercise its option to repair or rebuild within 30 days after the receipt of the proofs of loss which the insured is required to furnish; and such option does not continue until 30 days after the final ascertainment of the amount due, in case of the company's demanding an appraisal and arbitration, but a resort to arbitration by the company is an election to make payment in money.

A house belonging to plaintiff, and insured by the defendant insurance company, was destroyed by fire August 27, 1893. Proofs of loss were served October 25th. An award of umpires, on contested proof, was served March 20, 1894. On April 10th defendant notified plaintiff of

its intention to rebuild, by a letter, to which plaintiff did not reply. On April 23d, defendant, having in the meantime made contracts for the rebuilding of the house, notified plaintiff that it had sent its builder to commence work. On May 4th, plaintiff wrote defendant saying that, as it had already been notified, its right to rebuild was gone, and informing it that he would not accept the house, and would sue on the policy. Defendant completed the house, and tendered the keys, which plaintiff refused to receive. Held, that plaintiff was not estopped, in an action on the policy, from objecting to defendant's election to rebuild.—Judgment (1895) 32 N. Y. S. 353. 84 Hun, 322, affirmed.—*McAllaster v. Niagara Fire Ins. Co.*, 50 N. E. 502. 156 N. Y. 80.

Insurance Money and Creditors.

Money due for loss under an insurance policy is not the proceeds of the property destroyed, and therefore cannot be followed as a fund for creditors who have been defrauded by a transfer of such property by their debtor to the insured.

Payment by the husband of the premium on a policy of insurance in favor of his wife, covering her interest in property fraudulently transferred by him to her, does not subject money due on a loss thereunder to the claims of his creditors.

As between the husband's creditors and the assignee of a claim for loss payable to his wife on a policy of insurance covering property alleged to have been fraudulently transferred by him to his wife, it is immaterial whether the assignee paid a consideration for such claim.—*Forrester v. Gill* 53 p. 230.

Measure of Value.

Cotton bagging was insured with a provision that loss was to be estimated according to the actual cash value of the goods, but in no case to exceed the cost to insured to replace it. Its value at the jobbing price at the time of loss, could purchasers have been found, was less than the face of the insurance, but at the ordinary price exceeded it. There was evidence of the cost of manufacturing it,

with freight and added expenses, and also that replacement was impossible. Held, that neither the jobbing, nor the ordinary price, nor the cost of manufacturing with added expenses, alone furnished the measure of damages, but all were proper to be considered in connection with other competent facts, and that a verdict for the full amount of the policy would not be disturbed.—*Virginia Fire & Marine Ins. Co. v. Cannon*, 45 S. W. 945.

Market Price Governs.

The amount for which an insurance company is liable because of a loss of goods while owned by the manufacturer is based upon the market price when and where destroyed, regardless of what it would actually cost the manufacturer to reproduce them.—*Hartford Fire Ins. Co. v. Cannon*, 46 S. W. 851.

Pro-rating.

Under a policy issued to a lessee providing that in case of other insurance the insurer shall not be liable for a greater portion of the loss than the sum "hereby insured" bears to the whole amount of insurance on said property "issued to or held by any party or parties having an insurable interest therein," insurance taken by the lessor on her interest is to be taken into account in prorating the loss, the lessor having an insurable interest.—*Sun Ins. Office v. Varble*, 46 S. W. 486.

Note for Premium.

Defendant insured plaintiff's property from July 27, 1894, to March 1, 1902, for which plaintiff gave his premium note, interest payable annually before March 1st each year, default thereof to render void the company's liability on the policy until the interest was paid. The interest was paid to March 1, 1895; and August 1, 1896, disregarding back interest, plaintiff paid its agent, and he accepted, six dollars to renew the policy from then until January 1, 1897, defendant's charter having been amended to make interest or premium payable January 1st instead of March 1st. This the agent remitted as money paid on plaintiff's insurance account, and defendant kept it without

inquiry. His property was destroyed November 6, 1896, and defendant, being apprised of the loss, offered to return plaintiff his money, which he refused. Prior thereto it had written the word "canceled" on an office copy of the policy, but without notifying plaintiff or returning his note, as the policy required. Held, that defendant was liable, notwithstanding its agent may have been unauthorized to accept less than the amount of interest due in renewal of the policy.—*Mutual Fire Ins. Co. v. Eicholtz*, 40 A. 706.

Where Mortgage Does Not Increase Risk.

The fact that the holder of a mortgage on insured personal property was advised by the agent of the insurance company to allow the policy to stand without a provision making the loss payable to the lienholder, for the reason that the company did not carry insurance on mortgaged personal property, and would cancel the policy if the lien should be reported to it, and that the mortgagee followed this advice, does not constitute such collusion as will prevent a recovery by the mortgagee, the amount of the mortgage not being such as to materially increase the risk, and no apparent wrong being intended by the agent.—*Phoenix Ins. Co. v. McKernan*, 46 S. W. 10.

Mortgagee's Lien.

Where the mortgagor agrees to insure the mortgaged property for the benefit of the mortgagee, the latter has an equitable lien on the money due on the policy taken in the name of the mortgagor.—*Ætna Ins. Co. v. Thompson*, 40 A. 396.

Additional Insurance by Lessor.

The policy issued to the lessee being for the benefit of the lessor and of the holders of certain mortgages on the leasehold estate, a provision therein that "the interest of the mortgagee or trustee * * * shall not be invalidated by any act or neglect of the mortgagor or owner of the property insured" is controlled by the more particular provision for prorating the loss; and therefore additional insurance taken by the lessor must bear its

proportion of the loss, the mortgagees not being prejudiced by such additional insurance.—*Sun Ins. Office v. Varble*, 46 S. W. 486.

Watchman.

An application for insurance contained a question, "Will you agree to keep a reliable person in the building at all times?" The insured informed the agent that he generally slept in the building, but was occasionally absent. The agent replied that the company did not expect that one should sleep there every night. The building was destroyed at night in the absence of insured. Held, that the company was estopped from asserting a forfeiture because no one was sleeping in the building, although the statements made by its agent were not communicated to it.—*Virginia Fire & Marine Ins. Co. v. Goode*, 30 S. E. 370.

Incumbrances.

A question, in an application for insurance, as to whether the property is incumbered, is not of itself notice to insured that insurer's agent had no authority to assure insured that an incumbrance of a certain amount is too small to be noted.

An insurer, knowing that a policy might be forfeited because of misrepresentation as to incumbrances, and yet putting insured to the expense of procuring duplicate invoices of a burned stock of goods to make proof of loss, waives the forfeiture.

An insurer is estopped to claim a forfeiture because insured in his application falsely stated that the property was unincumbered, where insurer's agent, on being told of the incumbrance when the application was being filled up, informed insured that it was too small to be noted. *Georgia Home Ins. Co. v. Goode*, 30 S. E. 366.

Concealment of Books.

In an action on an agreement by insurer to pay a specified sum in settlement of a loss, it appeared that plaintiff's bookkeeper had refused to show the insurance companies the books containing records of the destroyed property. An employe

of plaintiff testified that on the succeeding day they were shown the books by him and the bookkeeper. Another witness testified that, after this, one of defendant's agents had in his pocket a paper belonging to plaintiff, showing the value of a portion of the destroyed property, and stated that he had received it from plaintiff. Held, that a finding that plaintiff had not concealed the books and records from defendant was sustained.

Proofs of Loss.

A provision in a Michigan standard policy that no agent shall have power to waive any of its conditions, except by a writing indorsed on or attached to the policy, is valid, and a verbal waiver of proofs of loss by him is not binding on the company.—*Wadhams v. Western Assur. Co.*, 76 N. W. 6.

A proof of loss by insured is sufficient though it does not give the name of the occupant of the building, where it made it apparent that insured occupied the building himself, and the fact of occupancy was not relied on for any purpose.

An insured wrote out a proof of loss on insurer's blank form, which did not call for a copy of another policy, whose date, term, and indorsements were given, together with the rate of premium and name of other insurer. Held, that the proof was not insufficient for failure to give a copy of the other policy.—*Georgia Home Ins. Co. v. Goode*, 30 S. E. 366.

Proof of loss was made and forwarded to an insurance company which acknowledged receipt by stating that the proof was unsatisfactory, without indicating any defects. Held, a failure to specify defects was a waiver thereof.—*Virginia Fire & Marine Ins. Co. v. Goode*, 30 S. E. 370.

Arbitration.

The parties to an insurance policy in suit appointed appraisers to adjust the loss on the buildings, and they appraised it at a fixed sum. Other appraisers were appointed to adjust the loss on the contents, who had several meetings with agents of the insurance companies interested. After one meeting, the chair-

man stated to the arbitrators that the companies (defendant being one of them, and represented at the meeting) had agreed to a certain sum to be paid for the total loss on buildings and contents, and that they should make their award accordingly. One of the arbitrators testified to having informed the agents just before this that he had authority to settle the loss. Insurers' counsel was present, and inquired minutely about the loss. The arbitrators then made out an award for the sum so agreed on, choosing a third person umpire, who signed the award with them. The other arbitrator testified that the chairman had informed them their proposition was accepted, and that they should make out proof of loss and get their money. Held, that the evidence supported a finding that defendant agreed to pay its proportionate share of the award.—*Stockton Combined Harvester & Agricultural Works v. Glens Falls Ins. Co.*, 53 P. 565.

An omission to include certain property covered by a policy of insurance in a submission to arbitration by insurer and insured of the amount of a loss by fire, and the failure of the arbitrators to fix the amount of loss thereon, will not authorize a court of equity to decree a recovery in the value of that property in case the award is upheld.

The refusal of arbitrators, appointed to fix the amount of a loss by fire, to allow the owner to volunteer any information, under the mistaken impression that he had waived his right to be present, does not constitute a ground for setting aside an award.

Arbitrators chosen to fix the amount of a loss by fire need not reveal their estimate of loss upon the various articles as they fix upon the same, but may defer the giving of such information until the award is made.

Where there is competent evidence to show that the loss claimed by the insured upon a portion of his property is only about one-third the amount claimed, an award of arbitrators which cuts his entire

loss down in about the same proportion will not be set aside on the ground of inadequacy.—*Stemmer v. Scottish Union & National Ins. Co.*, 53 P. 498.

Appraisement.

The provision in an insurance policy which requires the submission of the amount of loss to appraisers in the event of a disagreement between the company and the insured as to the amount is waived by the acceptance of the proofs of loss.—*Springfield Fire & Marine Ins. Co. v. Cannon*, 46 S. W. 375.

Neglect to Renew as Promised.

The evidence showed that an insurance agent orally agreed to look after such insurance as plaintiff should elect to place with him, and not allow any policies to expire without renewal in the same or some other company. Before a policy was allowed to lapse, the agent or plaintiff was to notify the other thereof. This agreement was not made with reference to any particular company, and the defendant, an insurance company, knew nothing of it. The agent thereafter wrote a policy in the defendant company, but neglected to renew as he agreed. Held, that the evidence shows an undertaking by the agent in his own behalf to keep plaintiff's insurance alive, on which the defendant company were not liable when its policy lapsed and plaintiff suffered a loss.—*Wood v. Prussian Nat. Ins. Co.*, 75 N. W. 173.

Marine.

Risks and Causes of Loss.

Where a vessel sails for a port and river which she is forbidden by the policy to use, and anchors at a buoy near the entrance of the river, whence she is driven ashore by a storm, this is a using of the place and a breach of the policy. *Thames & Mersey Marine Ins. Co. v. O'Connell*, 86 F. 150.

Specific Insurance.

Two blanket marine policies of insurance insured all merchandise belonging to insured from the moment it became his property, in Yucatan, until discharged from the steamer, in Boston, fixing the rate, but left the amount of the premium and insurance to be determined by the invoice, which might not arrive until after the cargo. Held, that the policies were contracts for specific insurance.—*Peabody v. Liverpool & London & Globe Ins. Co.*, 50 N. E. 526.

Life.

Equivalent to Delivery.

The receipt by an agent from his company of a policy, to be unconditionally delivered by him to the applicant, is tantamount to a delivery to the insured, though the agent never parts with possession of the policy, and its delivery to the applicant is by contract made essential to its validity.—*New York Life Ins. Co. v. Babcock*, 30 S. E. 273.

Policy Valid.

A policy of life insurance taken out in good faith, and the premium thereon paid by the insured, is valid, though the beneficiary has no insurable interest in the life of the insured.—*Albert v. Mutual Life Ins. Co. of New York*, 30 S. E. 327.

Creditor's Rights.

A woman took out an insurance policy upon her life, and assigned it to her husband, who assigned it unconditionally to a creditor, and the latter paid certain premiums thereon. Held, upon the death of the insured, that the creditor was entitled only to his debt, and the premiums paid, with interest; the unconditional assignment to one not having an insurable interest being void, because a wager.—*Wheeland v. Atwood*, 42 W. N. C. 178.

Installment Premium.

Where the annual premium on a policy of life insurance, primarily payable in advance, was by express stipulation made payable in quarterly installments, and the insured died after the payment of the first quarterly installment, the insurer was entitled to have the three remaining installments for the current year deducted, as a set-off, from the amount of such policy.—*Albert v. Mutual Life Ins. Co. of New York*, 30 S. E. 327.

Children's Interest.

A life insurance policy provided that the insurance should be paid to the wife of the assured, if living at the time of his death, otherwise "to their children for their use." Held, that the children of the assured took a vested interest in the policy at the time of its delivery, upon the condition subsequent that the mother should predecease the assured, and that upon the happening of this event the heirs of such children as had died prior to the death of the mother would take the shares their parents would have taken had they survived the mother.—*Glenn v. Burns*, 45 S. W. 784.

Dependents.

It appearing that the insured recognized the dependence of a sister, and was in the habit of extending aid to certain nieces, the daughters of a deceased sister, one-half of the fund should be paid to the sister and the other half to the nieces.—*Wolf v. Pearce*, 45 S. W. 865; *Ezell v. Wolf*, Id.

Insurable Interest.

A creditor has no insurable interest in the life of the debtor's wife.—*Wheeland v. Atwood*, 42 W. N. C. 178.

An aunt has an insurable interest in the life of her niece living with her at different times from early childhood, and whom she supports.—*Cronin v. Vermont Life Ins. Co.*, 40 A. 497.

Where there is a mutual interest, as a moral obligation existing between the assured and beneficiary, it is sufficient to rebut the presumption of wager in a life insurance contract, and to constitute an insurable interest.—*Cronin v. Vermont Life Ins. Co.*, 40 A. 497.

Actual Delivery.

Actual delivery of the policy to the insured is not essential to the validity of a contract of life insurance, unless expressly made so by the terms of the contract.—*New York Life Ins. Co. v. Babcock*, 30 S. E. 273.

Industrial.

Where the policy provided that the amount of the insurance should be subject to correction for a misstatement as to the age of the assured, such misrepresentation was no defense where the company failed to deposit in court, for the benefit of plaintiff, the premiums received on the policy, as required by Rev. St. 1889, § 5850.

A provision in a policy of industrial insurance, payable to the assured's executor or administrator, that the company might pay the sum insured to any other person appearing to it to be equitably entitled thereto, was no defense in an action by the assignee of the policy, where it had not exercised such option by paying the amount of the insurance to some other person.—*Floyd v. Prudential Ins. Co.*, 72 Mo. App. 455.

*Assessment Life.**The Bank was the Agent.*

All the calls and assessments of an insurance company were sent to a local bank, which collected the premiums, giving receipts of the company therefor, countersigned by the

bank, and the bank accounted to the company for the money thus collected. Held, that the bank was the agent of the company, "to all intents and purposes," as provided by Comp. St. c. 16, § 8, declaring what conduct shall constitute one an agent of a company.—*Bankers' Life Ins. Co. v. Robbins*, 75 N. W. 585.

Agent's False Answer.

An applicant for life insurance (who could read and write), in answer to the question whether he had made other applications, which had been rejected, made a full statement of his previous rejections to the agent drawing the application, who inserted the fact of one rejection, only, without reading it to him, or informing him of the character of the answer inserted. Held, that the company was responsible for the falsity of the answer.—*Jacobs v. Northwestern Life Assur. Co.*, 51 N. Y. S. 967.

Suicide.

Where a policy of life insurance contains no provision making suicide or self-destruction by the assured a forfeiture of the policy, intentional self-destruction while sane will avoid the policy only where such a policy is by its terms payable to the assured or his personal representative.—*Supreme Lodge Knights of Pythias of the World v. Kutscher*, 72 Ill. App. 462.

Beneficiary.

T. procured an insurance policy on his life, naming his wife and sons as beneficiaries. The dues were at first paid by the wife, and afterwards, at the father's request, by the sons, with the expectation of sharing the benefits. Before the father's death, the sons ceased paying the dues, and they were again paid by the wife; and the policy, at the father's instance, was changed so as to make her the sole beneficiary. Held, that the sons were not entitled to any share in the proceeds of the policy.

A beneficiary of an insurance policy has no vested interest in the policy prior to the insured's death, even though he pay the dues on the policy, with the expectation of sharing in the benefits.—*Masonic Mut. Ben. Ass'n v. Tolles*, 40 A. 448.

The charter of a fraternal order provided for the payment of a sum of money, upon the death of a member, "to such person of his immediate family as the member should designate." A son, becoming a member, designated his father. He afterwards married, and died,

leaving his wife and a child. Held, that the designation of the father being void, as he was not a member of the son's family, the money belonged to the wife and child.—*Knights of Columbus v. Rowe*, 40 A. 451.

Accident.

Occupation.

An accident insurance policy, providing different indemnity for persons of different occupations, which falsely states the insured's occupation so as to entitle him to a larger indemnity, knowingly issued by the insurer with the understanding that the insured should thereafter assume such occupation, is valid.—*Hart v. National Masonic Acc. Ass'n*, 75 N. W. 508.

An accident policy contained a clause that if insured should engage in other business, and be injured, he should be paid according to a schedule fixed by the rules of the company governing such cases. Held, that such clause only sanctioned the future pursuit of other callings, and was not a waiver of a breach of warranty in failing to state in the application the calling in which the applicant was then engaged.—*Standard Life & Accident Ins. Co. v. Ward*, 45 S. W. 1065.

Assessment Contract for Fixed Sum.

An accident insurance policy provided for the payment of specified sums in case of death or injury, but that, if there were not sufficient funds in the treasury to pay the mortuary benefit or the indemnity, an assessment of a specific amount should be levied on the members of the association, and that the insurer did not agree to pay the beneficiary a greater sum than was realized from such assessment. Held, that the policy was a contract for the payment of a fixed sum of money upon the happening of the specified contingencies; the provisions as to the assessment only fixing the maximum amount of recovery.—*Hart v. National Masonic Acc. Ass'n* 75 N. W. 508.

Partial Disability.

In an action on an accident insurance policy providing for the payment of weekly indemnity in case of accident preventing the insured immediately, wholly and continuously, from transacting any of the duties of his occupation, it appeared that the insured had been disabled for a period of eight weeks, during four of which he had been at his place of business, and performed light work, though not attending to his regular duties. Held,

that he was only entitled to recover for four weeks.—*McKinley v. Bankers' Acc. Ins. Co. of Des Moines*, 75 N. W. 670.

Month's Notice Too Late.

Under a policy requiring immediate written notice of an accident, a notice given a month after the accident is insufficient, where the only excuse for not giving it sooner is that because of a strike of the employes of insured (a corporation), its manager was so occupied as to forget to give the notice sooner.—*Smith & Dove Mfg. Co. v. Travelers' Ins. Co.*, 50 N. E. 516.

Waiver.

An insurer, knowing of breach of warranty on part of deceased, furnished blanks for proof of death, on request of the beneficiary, which contained notice that the furnishing of the same would not be a waiver of any of the conditions of the policy. Held a waiver of such breach.—*Burnham v. Interstate Casualty Co. of New York*, 75 N. W. 445.

Suicide.

Where death may be attributable to suicide, accident, or sickness, the presumption of law is against suicide.

Deceased, insolvent, was heavily insured. It did not appear that he was subject to fits. He invited a friend to go boat riding, promising a pleasant time. The friend declining, he went alone. He was seen rowing in a circle after his hat, and, in reaching for it, fell out. He called for help several times, threw up his hands, and was swimming rapidly to catch the boat. When overtaken he was floating dead on the water, face down. Experts testified that, if he were swimming, death was probably due to drowning, and as the abdomen was distended with gases which might be due to indigestion, that would account for the body not sinking. Held, that the question of suicide was for the jury.—*Burnham v. Interstate Casualty Co. of New York*, 75 N. W. 445.

Loss of Limb.

An accident insurance policy provided for the payment of a specified mortuary benefit, a weekly benefit, and a certain sum for loss of a limb: the total amount to be paid in any one year not to exceed the total amount of the mortuary benefit. Held, that a beneficiary suffering the loss of a limb could recover both the weekly benefit and indemnity for loss of the limb, up to the amount of the mortuary benefit.—*Hart v. National Masonic Acc. Ass'n*, 75 N. W. 508.

Fire Insurance by the State.

Two political conventions, one in Maine and one in Kansas, have passed resolutions favoring fire insurance by the State. The political party which fathers these resolutions is not likely to be successful in either State; but such socialistic resolutions must nevertheless be regarded as significant of a possible tendency in American politics toward communistic experiments. The same tendency is specially well defined in Germany and New Zealand and in English, Canadian and Australasian municipalities; and it is promoted more by occasional success than discouraged by numerous failures.

Insurance by the State is no new thing. Iceland in the thirteenth century, then a republic, compensated its inhabitants for loss by fire to the extent of one-half. The yeoman bore half the loss, and the other half was paid by the other yeomen of his district. The neighbors who paid this loss adjusted it also; but they were not required to pay over one per cent. of their own property. This primitive underwriting was essential to anything like adequate relief for the loser, for there were no fire underwriters in those days. Switzerland cantons provide for governmental insurance in a small way, but we have never heard of any complaints of government competition from Swiss companies. Forty or fifty years ago the governor of an American State (Virginia) gravely urged the legislature to provide for State insurance, but the legislators were not persuaded by even such arguments as in those days might properly be urged in its behalf. Municipal insurance has had very importunate advocates too, who subside completely whenever a conflagration makes its unanswerable argument. State or municipal insurance is atavistic. It is a reversion to tribal indemnity or relief, as practiced by primitive peoples when individual enterprise and capacity were lacking.

The true function of the State, of government, is the protection of life and property. This truth seems unrecognized by the younger men and forgotten by the older men of this generation. The good old Anglo-Saxon doctrine of self-reliance, which makes for individuality and strength, seems passing away. Is it to be supplanted by whining dependence on government, which de-individualizes the citizen and makes him a weakling? Emerson said, Let us have poorer cotton and better men. This is the true idea. Let us pay a little more, possibly, for the productions

of independent men, if such be the condition of the survival of independent men. The weakest argument for an industry by the State is mere cheapness.

Government industry, of any kind, lacks even the plea of greater cheapness. The most ignorant citizen knows that the government, whether local or general, is compelled to pay the highest price and often accepts the poorest work. We need not cite examples; they are too familiar. Whatever the government undertakes to do is seldom or never done with the efficiency of private enterprise, and is never done as cheaply. The postal service is often cited as evidence of the ability of the general government to successfully carry on a great industrial enterprise; but this service is conducted at an immense annual deficit. Private enterprise could produce better results at less cost, and would willingly undertake limited distance deliveries at half the price required by the government. The defence of a government postal service rests on political rather than economic grounds. The spirit of nationalism, as well as the necessity of supervision, requires that governments shall handle the mails and guarantee to the remotest hamlet easy and cheap facilities of communication with every part of the country.

The State as an insurer would be an unjustifiable interferer with private enterprise. Any argument urged in behalf of such a communistic scheme must apply with equal justice to banking, merchandising, manufacturing, transporting and farming. If it be said that by concentrating fire insurance in one corporation, and that corporation necessarily the State, a great saving can be effected, it can also be said, with equal truth or falsity, that a similar concentration of any branch of business or variety of employment will effect a great saving also.

Let us imagine for a moment that the State, in obedience to the demands of some erring political party or through the schemes of politicians seeking to increase the number of salaried offices, should engage in the business of fire insurance. Is there anything in the history of State industrial or business undertakings which warrants the belief that the State would furnish any cheaper or equally good indemnity? Is there any man who believes that the State would pay smaller salaries or conduct the business at a lower expense ratio? Consider the superfluous offices and the needless expenses which the authorities have created elsewhere. Would they be any

more considerate of the interests of the State's policyholders? There is nothing in government management of anything, especially nothing in State management, which justifies any belief in economy equal to that of private management. There can be no comparison as to efficiency. It may be urged that State indemnity would be a guarantee of better security, but this argument is not supported by facts. The State can at best pay only what it collects; and a promise to pay, unsupported by ready cash, is a most unsatisfactory form of indemnity, even if based on the credit or security of a sovereign government. Capitalists would not advance money on that kind of indemnity. One need not search municipal and State records far to find evidence of just claims failing of recognition for many years. It is easy to say the State would pay fire losses promptly, but it is not easy to prove it. The State might charge too little; a series of conflagrations like those of 1889 might occur, and leave a deficit of millions. Claimants would encounter embarrassing delays until the slow machinery of government could make special tax levies for their relief. They would be even worse off than those municipal claimants who dance attendance on the authorities until, sick with waiting, they sell their claims at a big discount to some broker "in with the push."

We must not overlook the fact that corporations and individual insurers refuse to insure a large number of undesirable risks at any price. The known moral or the physical hazard is too bad. To underwrite such property is to invite certain loss. But with insurance by the State all these bad risks would be covered, and the total losses would be still further swelled by exaggerated and dishonest claims pressed to a successful issue by political influences. By the employment of the best underwriting talent, by the most careful inspection of risks, by urging the maintenance and improvement of fire protection, by the wide distribution of risks, and by constant vigilance, in the face of keen competition, the insurance companies as a whole are making about three per cent. profit on underwriting in the United States, though scarcely a month passes without some company giving up the struggle to make any money out of the business.

State insurance would present a rare opportunity for safe and easy swindling. Overinsurance would not be officially discovered, arson would not be detected, exorbitant claims would be allowed, and overpayments

would be the rule wherever "influence" or coin were used. Rates would therefore increase, unpaid claims would accumulate, claimants would be embarrassed by delays, a special lobby would serve the strong at the expense of the weak, and political corruption would increase. The experiment in State insurance would in time be voted a monstrous folly, leaving a trail of injuries to both the individual and the government. It may be said that as soon as found to be expensive and unsatisfactory, as well as a source of political demoralization, the experiment would be abandoned. But this is counting without the politicians. Who ever heard of politicians abolishing any salaried position? Are there not numerous useless offices and commissions now, saddling needless expenses on the people, either directly or indirectly? Nobody in authority ever proposes that these ornamental and useless places be abolished. Nor does any political convention even dare, as a mere vote-catching measure, demand and promise such abolition. State insurance would be "the old man of the sea." It would be an incubus which could be thrown off only by a wiser and a more honest generation.

A LAD was the first to take the alarm to the fire brigade. The captain then started in person for the fire, with a barrow, which he personally hurried along with the aid of a boy or two. Other reels of hose arrived from other stations, but the water could barely be made to reach the first floor windows. Punctures spouted water in every direction but the fire. Notwithstanding this inferior fire protection, there was no difficulty in procuring plenty of insurance from companies which must now pay losses on many buildings and their contents, destroyed in this conflagration. We condensed the foregoing account from a British paper's article on an English town fire.

NEW YORK CITY FIRE PREMIUMS for the first half year, in excess of \$50,000, were:

L & L. & G.	\$233,762	British Amer. . .	\$ 75,833
German Amer.	225,906	Fire Associat'n . .	72,731
Royal	200,784	Union, London . .	72,167
Continental	150,777	North British . .	72,107
Hartford	144,822	Commercial Un . .	71,290
London & Lanc.	126,240	Germania	65,851
Scottish Union	113,458	American, N. Y. . .	62,573
Phoenix, London	99,207	Imperial	62,086
Western Assur.	92,052	Lancashire	58,140
Home	84,031	National	55,626
Sun	81,356	Etna	54,450
Greenwich	81,042	Manchester	53,952
Pennsylvania	76,169	Caledonian	50,211

Special Agent Russell De Lappe.

We are able to present with this number of the *Coast Review* a fine portrait of this Californian special agent. Mr. De Lappe has been engaged in fire underwriting for the past sixteen years, and he has many friends and acquaintances in California and elsewhere on the Coast who will be pleased to see this fine likeness.

Special Agent Russell De Lappe is a native of the Western Empire State, Illinois, where he was born on September 16, 1845. On August 20, 1861, before he was 16 years old, young De Lappe enlisted in the 50th Illinois Infantry. He remained in the service, with that regiment, until mustered out, September 27, 1864, or three years and thirty-seven days. Mr. De Lappe is therefore one of the youngest members of the Grand Army.

In 1870 Mr. De Lappe came to California and engaged in wheat-raising on a large scale. After varying fortunes, with tremendous crops, and poor crops after hot winds and dry seasons, he quit "about even," and began his career as an insurance man, as a local agent at Maxwell, Cal., in charge of the insurance department of Harden Bros. This was in 1882. Good clean local work brought an offer of a special agency, early in 1893, from the Balfour-Guthrie general agency. Mr. De Lappe accepted the offer and was appointed special agent, and has been continued in that position ever since. He is the oldest special now in the office. Under Manager Edwards of the Pacific department of the Manchester, Caledonian and the two American's, Mr. De Lappe's territory comprises northern and central California and Nevada. It is a large territory and he travels many miles in the course of the year.

They Weren't Alarmed.

"We should have retaliated by cutting New York rates," said a Western underwriter, referring to the threatened rate-cutting in the West, some time ago. And it did seem as if the threat had deterred those bloody New Yorkers and

persuaded them to sheath their daggers. But after observing the neat way they have been cutting their own throats, and their keen pleasure in the pastime, we may be allowed to recall the Western man's threats with skepticism. The New York men weren't afraid of him, after all.

Deserved Promotion.

We are pleased to learn of the appointment of Mr. Walter Fiedler as a sub-director of the old Magdeburg Fire Ins. Co., in charge of the foreign department. Mr. Fiedler visited this Coast as inspector of agencies for the Hamburg-Magdeburg Fire Ins. Cos., and the Magdeburg Fire Ins. Co. secured his services, when reinsuring the former company.

Fire Departments in the United States.

[Translated by A. L. Jacobs from the German from the *Berliner Tageblatt* of July 11, 1898.]

The German fire departments, upon which we rightly look with pride, have in the entire world only one rival, that is the American fire department, which must be thankful for its schooling mainly to its very extraordinary demands. We can certainly learn a great deal of the Americans, and inasmuch as we are celebrating in Berlin and Charlottenburg the 15th anniversary of the German fire department association, I take great pleasure to point to the importance of the American fire department and its systematic schooling.

The great many fires in the United States are mainly caused by the extensive use of lumber for building purposes, a building material which is used in Germany only in country towns. The general use of modern cooking and heating devices, gas ranges and gas stoves, spreads the conflagrations over very large areas, which would be an impossibility in our country.

Probably also various other factors, which are brought about through customs and usages of the country, increase the number of fires and naturally are the direct impetus for the perfection of the fire contrivances and savings apparatus.

An English correspondent who had an opportunity to study the fire apparatus at



RUSSELL DE LAPPE,
Special Agent
MANCHESTER, CALEDONIAN, AMERICAN, N. J., San Francisco.

Cleveland praises mainly the construction of the fire engines, which are away ahead of those in his own country in mechanical power, and that means a great deal, if you take into consideration the world wide fame of the English machinists. The English correspondent, who calls himself a "patriotic Englishman," adds that all other fire-fighting arrangements are just as perfect and worthy of imitation.

The discipline of the men is most excellent, and it seems to them as most natural, that with the sound of the alarm every man, regardless of his personal interests, risks his life in the fight with the horrible element. The American fireman receives right in the beginning of his career adequate payment for his services. He enters, after having passed an examination and appointment by the fire commission, at the age of 19 or 20 years, sometimes younger, as cadet into service, and receives at once a salary, which in larger cities on an average amounts to 170 marks, (\$42.50) per month. He remains in that position as a rule for two years and takes part in the exercises as well as in active service under the direction of his superior. At the close of his apprenticeship he receives the appointment as fireman and a salary, according to the size of the city, of 200 to 250 marks per month (\$50.00 to \$62.50 per month).

Of course, I am not speaking here of small towns. If the man improves with time his salary is increased from year to year and it is not seldom that a common fireman receives a monthly salary of 400 marks. The size of the cadet corps is according to circumstances and it is natural that only candidates of excellent qualifications are accepted. The result is that the American fireman can't be beat in cleverness in the entire world.

In every larger city are fire alarms distributed over the entire city, and as in Berlin and London and many other large cities stationed on street railings or at fire stations. Behind the glass of the alarm box (which, of course, must be broken) is the apparatus, which is put in motion by pulling of the handle. This

gives the alarm to the nearest two or three fire stations by electric bells. The Morse apparatus of those stations designates on paper from which box the call came. As soon as the alarm is sounded, everything is most active. With incredible celerity and yet in best order arrive the men. By the touch of a button the doors of the stables are opened, the horses are free, run out by themselves and place themselves under the harness, which is fastened by automatic steel buckles. The captain calls out the number of the alarm box, every man gets in his place on the fire engine, hose wagon and ladder truck and, in hardly ten seconds after the sound of the alarm, the entire wild herd drives down the street to the fire. At night a small delay can possibly occur but always only of a few seconds. Hardly is the alarm given, when all men run downstairs, but everyone has already his helmet and boots on and is at least so far dressed that he can complete his toilet on the way to the fire. After the fire everything is placed in the same order, probably not so quickly. The horses which during the fire were led up and down the street, are hitched again, taken back slowly to the station, unharnessed, carefully rubbed down and put in the stable.

At about 8 o'clock in the evening the men are drilled. The public is permitted to look on, and if strangers are present they are shown by the officers to the best seats.

It will be in order on this occasion to speak also of the horses, which form a so important factor of the organization. Our horses of fire departments are probably not inferior to the American horses; still we must admire their patience, strength, quickness and perseverance. The feeling of the public towards those brave horses is in America different. The horses are in fact treated with utmost care and attention and their physical welfare is carefully looked after. Their stables are just as clean and comfortable as the rooms of the men. The feed is of superior quality, probably the best which is fed to a horse. Their health is carefully looked after, and

when at last their active service is at an end, when they are too old and infirm to do heavy work, they are virtually pensioned and taken care of at public expense. The papers relate their honorable career, and, not without grief, part the firemen with those noble animals, which have done their duty for so many years by their side faithfully and with perseverance.

With what extraordinary interest the fire departments in America are looked after, is shown that now even some school boys are taught fire fighting. It is not done for the purpose of making firemen of them, but to train them and get them accustomed to calmness, courage and quickness of action, in order to jump in when needed. The school at Cambridge is reported by the chief of the Boston fire department to have accomplished a great deal in that respect. The exercises are under the personal supervision of a professor, who is responsible for the discipline and safety of the boys. Lectures are given regarding measures for the prevention and suppression of fires and the boys are taught in hospital duty. They commence with simple exercises and spend much time on the alarm exercises. After that commences the real fire service. The boys form a hose, ladder, engine and hospital brigade. They open the jumping-net into which they jump from different heights, erect ladders and climb up on them, connect hose and in fact practice everything necessary with the fire and savings apparatus. The school fire department is organized like any other fire department, and the school building is provided with alarm apparatus and all the appurtenances. They have places for the ladders, hose wagons, engine and ambulance wagon. The exercise tower is forty feet high, three stories, provided with stairs, windows, etc. In the neighborhood are very high scaffolds, on which they practice with saving-ropes.

It is doubtful but that such exercises develop the body and accustom the boys to strict discipline. Many like that calling and enter later as well schooled young

men the cadet corps of the fire department. In any case are those exercises of benefit to the pupils and the moral feeling of responsibility urges them on more than simple gymnastic exercises.

Insurance Against Drouth.

Why not insure against drouth as well as against damage to crops by hail and wind and fire? Why not insure against floods of water as well as against encroaching flames? The answer doubtless is, Because losses by drouth and flood are not restricted to individual cases or narrow limits. A drouth affects whole counties, or groups of counties, a state or group of states. A flood, also, damages property for miles along the banks of a river or creek. Probably, at the same time, there are numerous floods along numerous streams, swelled by the same general storm.

Now this extent of damage may not be a good reason for not offering indemnity for such losses. Theoretically, it is not a good reason; practically, it is. Regions afflicted with drouth or floods are likely to be thus afflicted periodically, and the cost of the indemnity would necessarily be high. The whole country could not be relied on, as in fire, to so distribute the risk and loss as to reduce the cost to a small average premium. Localities seldom or never suffering from drouth or flood would not insure against either.

Fire underwriting is safe and reasonable in cost only when it is a guarantee against loss by the merely possible—not against certain loss. We would not have it inferred from this that it is impossible to find territory where possible drouth and flood could be profitably and safely insured against; but such territory is undoubtedly limited. What company could insure against drouth in western Kansas, for example, or against flood damage on the lower Mississippi and tributaries, and pay losses and survive?

Insurance companies have a hard time to make profits out of fire underwriting, where averages can be depended on; and withal, they are heavily taxed, and ham-

pered by vicious legislation and black-mailing commissioners, and abused by press and politicians, and treated as public enemies by courts and juries reflecting the general ignorance and prejudice. Why should insurers run additional risk, why should new capital hazard itself, in the experiment of drouth or flood insurance, for the bare chance of making a dividend slightly in excess of the ordinary interest rate? As soon as capital would take these chances, the populist element would raise a hullabaloo, special taxes would be levied, restrictive legislation would be passed, courts would stretch the law to the disadvantage of the drouth or flood insurance company, the plain letter of the contract would be ignored by the average jury, and probably valued policy laws would compel the insurer to pay the insured the face of the policy whether he lost that amount or not. Nice prospect for insurance capital, would it not be?

The Thames & Mersey Marine Ins. Co.

The annual statement of this Great English marine office presents the following balance sheet:

Capital paid up	\$1,000,000
Reserve fund	2,250,000
Total assets	6,571,400

Premiums for the year were \$1,849,890; claims paid were \$680,375; balance carried down, \$931,535.

The Thames & Mersey is one of the leading marine offices of the world, and supplies first-class indemnity. It has \$652,000 invested in the United States, of which goodly sum two-thirds is clear surplus. A large business is done in Western ports. Wm. Greer Harrison is manager, with headquarters in San Francisco and sub-agencies at all the principal Pacific Coast ports and at Honolulu.

AT THE biennial meeting of the Knights of Pythias in Indianapolis on the 25th ult. there were stormy times. Several appropriations, usually passed without question, were referred or voted down. The expense bill of the meeting was cut in two.

It was resolved that in the future all purchases must be made by competitive bids.

An English Life Insurance Conspiracy.

One Norgate, a weakling spendthrift, fell into the clutches of a usurer. A money-lender mis-named Honor lent him money to the extent of \$200. Unable to pay this sum, the young man was persuaded to forge his parents' name to several bills of acceptance, payable to Honor. The latter blackmailed Norgate into forging his mother's name to a promissory note, payable in installments. To secure this, finally, his life was insured, through one Monson and an agent, and with the aid of a substitute. Pressed too hard by the usurer, Norgate confessed all. Monson and Honor have been sentenced to five years' penal servitude, and the agent will be imprisoned eighteen months.

Prosperous Times.

"Let us spread our sail to the favourable gale now that it blows."—*Cervantes*.

The writer recently visited many parts of the United States, and he was delighted with the repeated evidence of prosperity. Business, manufactures, agriculture, labor, all prosperous. The only discordant notes in the sounds of prosperity were the lamentations of money-lenders whose farm loans had been taken up by the wheat growers of the Great West. Times were hard with these capitalists. Their tools of trade, their machinery, lay idle in the banks, and they were obliged to live economically. Then the war occurred, and it didn't hurt the times either. Two hundred millions of surplus coin was gathered in by the government. Perhaps the poor money lenders took some of this loan and now find use for the rest of their stock in trade.—We note that the lowest bid for a big loan on Chicago property was 4 per cent. interest, submitted by a life insurance company. When there is a demand for money on good security at a fair rate of interest, and the money is forthcoming, times are good. The prosperity so evident in the middle West extends throughout the Pacific and Mountain Northwest too.

Here in California, too, we are beginning to feel the reflex action of our neighbors' good fortune. Even silver has so advanced in price that the bar exhibit at Omaha has increased \$30,000 in value since the beginning of the fair.

Special Agent Charles R. Gilbert.

The subject of this brief biographical sketch is pretty well known in this field as a former employe of the Board of Fire Underwriters, and more recently as manager of the Montana Compact, which position he resigned to accept his present position, that of special agent of the Manchester, Caledonian and American.

Charles R. Gilbert is a native of Illinois. He went to Los Angeles in October, 1887, and for eight months thereafter was connected with the local agency of the Hartford Fire Insurance Company. During the succeeding two years he "ranched" in San Diego county, and then removed to San Jose. In the latter city Mr. Gilbert was for the next eighteen months engaged in the real estate and local agency business.

Leaving San Jose in 1892, Mr. Gilbert secured a position with the Pacific Insurance Union, and remained with it and its successor, the Board of Fire Underwriters of the Pacific, until his recent appointment by Manager L. B. Edwards. His present territory as special agent is southern California and Arizona, with headquarters at Los Angeles.

Special Agent Gilbert is a popular and energetic young man, with serviceable experience as a local and in board work, which puts him in close touch with local agents and gives him special qualifications for field work.

THE Connecticut supreme court has ruled that the "standard guaranty to maintain 80 per cent. insurance," stamped on the face of the policy, does not supersede the provision against further insurance. The two provisions can stand together and effect can be given to both. Plaintiff contended that the adoption of the co-insurance clause imposed on the

insured an obligation to procure enough additional insurance to keep the total amount equal to 80 per cent. of the changing actual value of the property covered; and therefore the provision against the additional insurance was waived. The fact was that the insurance taken was equal to 80 per cent. and the additional thousand was an intentional violation of the over insurance clause. The court held, however, that if in fulfilling the obligation assumed the 80 per cent. had been unintentionally exceeded, the policy would not for that reason have been voided.

Railway Accidents.

The Inter-State Commerce Commission has just issued advance sheets of its forthcoming report on railways, from which we learn that the total number of casualties to persons on account of railway accidents for the year ending June 30, 1897, was 43,168. Of these casualties 6,437 resulted in death, and 36,731 in injuries of varying character. Of railway employees, 1,693 were killed and 27,667 were injured during the year. According to the three general classes these casualties were divided as follows: Train men, 976 killed, 13,795 injured. Switchmen, flagmen and watchmen, 201 killed, 2,423 injured. Other employees, 516 killed, 11,449 injured. The casualties to employees resulting from coupling and uncoupling cars were, killed 214; injured 6,283. The corresponding figures for the year ending June 30, 1896, were 229 killed and 8,457 injured. The casualties from coupling and uncoupling cars were assigned as follows: Train men, killed, 147; injured, 4,698. Switchmen, flagmen and watchmen, killed, 58; injured, 1,325. Other employees killed, 9; injured 260. The casualties resulting from falling from trains and engines were as follows: Train men, killed, 325; injured, 2,726. Switchmen, flagmen, and watchmen, killed, 32; injured, 357. Other employees, killed, 51; injured 544. The casualties to the three general classes of employees mentioned caused by collisions and derailments were as follows: Train men, killed, 250; injured 1,327. Switch-



CHAS. R. GILBERT,

Special Agent

MANCHESTER, CALEDONIAN, AMERICAN, N. J., Los Angeles.

men, flagmen and watchmen, killed, 11; injured, 74. Other employees, killed, 42; injured, 251.

The total number of passengers killed during the year under review was 222, injured 2,795. Ninety-three passengers were killed and 1,011 injured in consequence of collisions and derailments. Other than employees and passengers the total number of persons killed was 4,522; injured, 6,269. Included in these figures are casualties to persons classed as trespassers, of whom 3,919 were killed and 4,732 were injured.

From summaries showing the ratio of casualties, it appears that 1 out of every 486 employees was killed and 1 out of every 30 employees was injured during the year. With respect to trainmen, including enginemen, firemen, conductors and other trainmen, it appears that 1 was killed for every 165 employed, and 1 injured for every 12 employed. One passenger was killed for every 2,204,708 carried, and one injured for every 175,115 carried. Basing ratios upon the number of miles traveled, it appears that 55,211-440 passenger-miles were accomplished for each passenger killed, and 4,385,309 passenger-miles for each passenger injured.

Total Abstainers are Ahead.

The abstainers' department of a British life office, which makes a specialty of total abstinence risks, gives very creditable totals for fourteen years. The actual as compared with expected deaths are surprisingly low. In the ordinary branch, of course, as a rule, the actual deaths are fewer than the table "expected"; but the "teetotalers" have a much lower percentage of actual to expected. While this evidence of the greater longevity of total abstainers is not conclusive, it certainly goes far to prove that moderate indulgence in stimulants leads to immoderate indulgence and lowered vitality. The number of deaths is 151, while the number of years of life under observation is 31,559. The number of abstaining policyholders appears to be small, and it is likely that the simplicity of their diet

and the healthfulness of their life conditions, aside from the matter of stimulants, is far more favorable to prolonged life than the diet and other health conditions of the much larger body of policyholders not classified as total abstainers. The figures, however, as printed herewith, are very suggestive. It is a matter for remark that in the United States, where abstainers are so numerous, no life insurance company places them in a separate class, with dividends apportioned according to their mortality experience. Some of the smaller companies might do well to make an experiment in this direction. Total abstainers would welcome such a segregation.

The abstainers' department of the British life office, above referred to, gives the following figures:

Ages.	Deaths Expected.	Deaths Actual.	Percent. of Actual to Expected.
10-24	31.898	15	47.0
25-34	92.796	48	51.7
34-44	84.149	29	34.4
45-54	61.962	32	51.7
54-70	43.080	27	62.6
	313.885	151	48.1

The years of life under observation were 31,559; the expected deaths under the Healthy Males table were 313 plus; the actual deaths were only 151, or less than half, the ratio of actual to expected deaths being only 48.1 per cent. This is very remarkable, to say the least.

NON-BOARDERS CAUGHT.—An incendiary offer was overheard in a Coast town, as follows: "I'll set fire to the damned place if you will give me part of the insurance money." The reply and further conversation was indistinct and the talkers went away before it was possible to discover who they were. Fortunately, the "damned place" to be fired was mentioned. An insurance agent was informed of the conversation overheard in the outbuilding, and he notified a Board official. A warning notice was sent out by the Board to its members, and those who were on the risk got off. The non-Board companies did not receive the notice. The place caught fire soon

after, and the non-Board companies paid the loss—a good round sum, too, large enough to pay compact expenses for many years.

The Travelers Lost Both Berliner Suits.

Recently we had some occasion to criticise the Travelers Ins. Co. for resisting the Berliner claims. Berliner took out a life policy and an accident policy. The latter was delivered and paid for: the life policy, written through agent H., was delivered, but the premium was not paid. Policy was not reported to home office until after B.'s accidental death, neither as a paid nor as an unpaid policy. Just before B.'s departure for Mexico he asked agent H. if traveling in Mexico would make his policy void, and was told that it would not. There was no arrangement about credit. The premium was charged at the home office to H. When H. handed the policy to B., the latter said he could not pay for it then, and H. testified that he knew he could not.

Certainly these facts all go to show that this was a completed transaction, and that the advance payment was waived. The policy was delivered, and the agent was charged with the premium. The agent delivered a dated policy to a personal friend, knowing that he was not prepared to pay the premium then: and the insured's question, on the eve of his journey, as to the right to travel without invalidating the policy, showed that he believed he was insured.

Yet when the insured was accidentally killed, the Travelers refused to pay the claim, and treated the life policy as void. The company has been ill-advised. By every principle of justice and rule of equity, it seems to us, the company was bound to acknowledge the validity of this claim. The supreme court of California has ruled so. It holds,

The facts, taken in connection with B.'s inquiries as to the effect his traveling in Mexico might have on his policy, and H.'s reply thereto, constitute evidence of a waiver of payment that could not be well made more

conclusive save by an express admission of the fact.

The possession of policy by insured or beneficiary is *prima facie* evidence of its delivery as such valid and subsisting contract. The policy having been delivered, it is immaterial, so far as plaintiff's right to recover is concerned, whether the premium was paid or a credit given, the delivery of the policy as an executed contract being all that was essential to allege or prove.

The accident policy was of the combination or double benefit variety, in the sum of \$10,000. Double this amount became payable if fatal injuries were "sustained" while riding as a passenger in any passenger conveyance using steam, cable or electricity as a motive power. Policy also provided that the insurance did not cover "being in or on any such conveyance using steam as a motive power, not provided for transportation of passengers." The insured was invited by the railway superintendent to take a seat on the engine in order that he might have a better view of the country. An accident occurred and the insured was killed. The Travelers contended that the insured, at the time of the accident, was on a "conveyance" not "provided for transportation of passengers," and that the company was therefore not liable. The California supreme court held that the plaintiff was entitled to recover; that the engine was a part of the "conveyance."

The defendant company also contended that in any event it should not be compelled to pay more than \$10,000. It was held, however, that though insured Berliner was on the engine, he was still a passenger. He did not lose his character as a passenger by going upon the engine at the request of an officer of the road, and therefore he was entitled to recover \$20,000 or "double the sum above specified."

The defendant company has not been altogether blameless in this matter. It has been in a position to learn all the facts, which show that it never had a good case as to the life policy at least. Berliner was insured against accident and

had paid the premium on his policy. He was accidentally killed, and his widow, the beneficiary, was entitled to some indemnity. There may have been reasonable doubt whether or not there was a legal or equitable obligation to pay double benefits, but there could have been no reasonable doubt as to the company's obligation, in common equity, and under the custom or rule of liberal accident insurance, to pay the beneficiary at least a sum equal to that which the premium would have paid for the occupation of passenger locomotive engineer. But, as we are informed, the company made no offer to pro rate according to occupation, until after the hearing of the case in the lower court. We most reluctantly chronicle these facts.

The effects of this decision as regards accident insurance may or may not be serious. It is suggested that it may affect the pro rata clause in all policies, but such a construction is not borne out by the court's declaration that Berliner was still a passenger, the engine being part of the passenger conveyance. He was not an engineer even for a moment, and there was no change of occupation.

Sure to Regret It.

In the printed lists of claims paid there always appear the small amounts of policyholders who paid premiums for a short time and then gave up their contract and accepted a small paid-up policy.

When pay time comes, when the policies mature, by death or by time limit, the policyholder regrets the need or folly which made him discontinue his insurance. There is no doubt of it. If it is an endowment policy, the holder will have meantime spent the premium money and gone without the insurance. Instead of the \$2,000 or \$5,000 as originally contracted for, he will collect only the paid-up sum he agreed to accept for his small interest in the reserve. If the policy matures by death, there is death-bed regret. Instead of enough to buy a home and to educate children, there is barely enough to pay funeral expenses.

Keep your policy in force! Spare yourself these keen regrets! You can save enough money to pay premiums. Dispense with a few luxuries, and look upon life insurance as a necessity. It is as much of a necessity as are many articles of food and dress now deemed necessities.

The Hanover Fire.

The Hanover Fire of New York is in such excellent condition and has so handsome a net surplus, that a firm of money brokers is trying to buy a controlling interest in the stock at less than its real value, in order to reinsure the company and pocket the surplus. The speculators could thereby make a handsome profit at the expense of the smaller stockholders. The attempt has been a failure, of course. The principal stockholders, who know the value of their stock, will retain the control, and the Hanover, under its present able management, will continue to furnish first-class indemnity and pay handsome dividends on its million paid up capital.

A THIRTY New York company keeps its funds earning interest, and recently it was found that after paying losses with the customary promptness there was not cash enough for a desirable investment then offering. Rather than sell good securities, the managers borrowed on them as collateral. Raider McNall's examiners noted this awful fact, and (*after* the company testified against him in the pending injunction suit brought by another American company) Mac blew his horn and said if such a wicked transaction as borrowing money on securities occurred again he would cancel the company's certificate. We are inclined to pat Skinning Mac on the back, for companies submitting to his methods deserve to be skinned. What seems most needed in this country is a Declaration of Insurance Independence.

ACCORDING to a Cincinnati paper "the latest dodge" of rebaters is to evade the anti-rebate law by playing cards to lose just the amount necessary to write the

risk. We have heard this doubtful story before. A simpler way would be to buy a bill of goods or whatever the "prospect" might sell, to be delivered when called for next year, and credit the amount on the premium. An Oakland fire agent used to pay five or ten dollars for a dollar necktie. The variety of his neckwear was much commented on, and his company carried a large number of dry-goods and clothing risks in that town.

Special Agent Geo. A. Crux.

This gentleman, a new field man on the Coast, was born some thirty-seven years ago in Kent, England. He came to this country in 1886, with the intention of visiting it, and passing through to Australia. Arriving in California, the temptations of our glorious climate proved irresistible, and Mr. Crux decided to make his future home in this beautiful Coast land.

In 1888 Mr. Crux, then a young man of 27, entered the insurance business in San Francisco, in the office of the Pacific Insurance Union, under Mr. Stillman's management. He continued in the service of that organization, working in the various departments, until 1895, when he accepted a position in the office of the general agency of the Manchester, Caledonian and American insurance companies.

Mr. Crux has been in this office ever since. For some time he had charge of the examining department, but for the last two years he has assisted Manager Edwards in the management of the affairs of the office. This work has familiarized him with the various agencies and the business of the companies throughout the Pacific West. On the appointment of Dixwell Hewitt to the position of assistant manager of the Coast department of the Phoenix of Hartford, Mr. Crux succeeded him, and was appointed special agent for the Northwest district, embracing Oregon, Washington and Idaho. His headquarters now are in the Sherlock building, Oregon.

Special Agent Crux is a painstaking,

industrious worker, with good experience in office work, and practical ideas of field work in its relations to both agent and company.

Revenue Tax and Insurance.

Recent rulings are as follows:

A warehouse receipt which includes also an insurance against fire should be stamped also as an insurance policy, according to the premium charged.

When a surety company is surety on bonds the tax is half of one cent on each dollar of premium and the 50-cent bond tax.

The second provision in the paragraph relating to life insurance in schedule A, "that the provisions of this section shall not apply to any fraternal, beneficiary society or order," relates only to policies of insurance referred to in that paragraph.

Proofs of loss are not subject to the tax.

RE-INSURANCE.

The effect of re-insurance, so far as the stamp act is concerned, appears to be the same as if originally a policy had been issued by each company for the portions of the total risk which each respectively assumes. The total tax paid in such case on both policies would be the same as paid under the plan actually followed by the insuring company on its single policy.

As a new policy is not issued in this transaction, and as the full amount of tax due, in accordance with the amount of insurance upon property actually taken, is paid by the stamps affixed to the policy of the insuring company, and as the entry in the register referred to is not an undertaking of a new insurance upon property, but an agreement to share in the obligation and responsibility for an insurance already undertaken, such entry does not seem to come within the definition of a policy of insurance or other instrument by which insurance shall be made upon property of any description, and is not, therefore, subject to stamp tax under Schedule A. This conclusion, however, rests upon the supposition that the division of the risk is attended with a credit to the reinsuring company of only,



GEO. A. CRUX,
Special Agent
MANCHESTER, CALEDONIAN, AMERICAN, N. J., Portland, Or.

or not exceeding, its proportionate part of the premium paid.

If in the event the risk becomes extra hazardous, or for other reason, a reinsurance is effected for an extra premium, then the extra premium is evidence that the transaction is not merely a division of the primary risk, but is to the extent of the extra premium an actual insurance of the primary company against an apprehended loss. The extra premium is therefore taxable. If there be no other instrument or paper writing in evidence of this contract which can be stamped, then the proper stamp, duly canceled, may be affixed to the margin of the page in said register, opposite the entry therein made of such reinsurance. The amount of such extra premium should be set forth in said entry, and the register must be open to inspection.

When a reinsurance amounts only to a division among two or more companies of a risk taken by one of them for which a duly stamped policy has been issued no further tax is necessary. Where, however, the subsequent insurance is obtained by the primary insuring company at a higher proportionate rate of premium than it required and received for its own policy, then, and in such case, the extra premium is evidence of the fact that the reinsurance is not merely a portion of the original risk for a proportionate share of the original premium, but is, in fact, to the extent of the extra premium paid, an actual reinsurance of the primary company by the reinsuring company against an increased apprehension of loss. The extra premium is therefore taxable, and the stamps therefor must be affixed to any contract or paper writing between the parties which is evidence of the obligation assumed and of the price paid therefor. If there be any further instrument or document employed than entries in a register which by agreement constitutes the contract, then the stamps may be affixed and cancelled upon the margin of such register opposite the entry made therein, which entry must in-

clude the amount of premium paid. Such register must be open to inspection.

Covenant Mutual of Galesburg and the New Blood Fallacy.

The following is taken from the report of the seven commissioners:

The fallacy that new blood added to the company will take care in assessment associations of increasing death losses among the elder members indefinitely, or that an inadequate fixed premium at age of entry without increase during the succeeding years will protect all of the members of an association, who shall continue as members during the term of their natural lives, has been thoroughly exploded heretofore, and the experience of the above named association, so far as its post-mortem policies is concerned, emphasize such exploded fallacy.

Northwestern Life Assurance of Chicago.

[From *Insurance Advocate*.]

A remarkable discrepancy (which it would be uncomplimentary to attribute to ignorance) appeared in the columns of *The Spectator*, in its issue of June 2nd, between a statement of a supposed fact and some figures bearing on the same subject which are printed in another part of the paper.

On page 304 the article in question, "The Northwestern Life Assurance Company," opens thus: "The above-named company, organized nearly twenty-five years ago to do business upon the assessment plan, has shown a continuous record of progress." On page 296 of the same number we find some figures which tell a very different story, and to these we are obliged to pin our faith for the reason already given. In 1887 the N. L. A. C. issued 8,384 policies; in that year the lapses were 3,833, or 46 per cent. Five years later the issues were 4,806 (a falling off of more than 40 per cent.) with lapses of 4,415, or 92 per cent. In 1897 the number of policies issued was 4,342, while the lapses leaped up to the prodigious number of 9,207, or 112 per cent. The membership in 1887 was 41,243; in 1892, 49,417; in 1897, 34,717. This is a decrease of 16 per cent. as compared with ten years ago, and of 30 per cent. within the last five years. The ratio of death losses per 1,000 was 7.95 in 1887; this rose to 13.37 in 1892; last year (1897) it was 15.03. So much for the alleged "continuous record of progress!"

Once more: "The managers were among the first to recognize the fact that the old

system of post-mortem assessment was not satisfactory, and hence in 1893 they discarded this plan and all the business written since has been based upon the stipulated premium plan, whereby guaranteed insurance is secured at a fixed premium. The success that has attended this change has been very satisfactory." We have only to turn upon this last astonishing assertion the light furnished by the figures quoted above, and to point out that the enormous number of lapses and the large decrease of membership occurred *since* the change was made, and which our friend and neighbor affirms to have been so "very satisfactory!"

LIFE, CASUALTY AND OTHER NOTES.

STREET-CAR liability business has generally been unprofitable.

A HALF MILLION of defalcations in one month, of which \$9,000 is known to have been lost by insurance companies.

PROBABLY not more than thirty policyholders of regular life insurance companies were killed or died from wounds in the recent war with Spain.

THE Equitable Accident Association of Boston, run by an alleged board, has gone by the board, and now you can buy claims at ten cents on the dollar.

THE TERM "fraternal insurance" in the war revenue act does not apply to business insurance associations, says the commissioner of internal revenue. They have stipulated premiums payable at stipulated times, and do a general business, the commissioner says. They must therefore pay the stamp tax.

JUNE payments of the New York Life included: one claim for \$57,645. and another for \$50,000; twenty-five policies on the lives of twenty-one persons who died within one year of the time of insuring. Three men, one an insurance agent, were insured less than twenty days. Sixty claims out of 300 were from foreign lands.

THE Employers Liability Assurance Corporation's home office statement, of date April 1, 1898, shows \$2,382,620 assets, of which \$750,000 is paid up capital and \$125,000 is a special reserve, "being premium on new issue of shares." The revenue for the year was \$2,548,220. The balance, after paying expenses and \$1,379,755 losses and commissions, was \$998,205. Chas. J. Okell & Co. of San Francisco represent this great liability company in this field.

AN agent of the Massachusetts Mutual Life, S. Q. Walker of Arkansas, has been found guilty of rebating.

ORDERS for the payment of money, drawn by the secretary of an order or benevolent society on its treasurer, in favor of a third party, require a 2-cent revenue stamp.

REFEREE REED has found Samuel Johnston of San Francisco guilty of rebating. Johnston was formerly an agent of the Equitable. E. C. Nichols, also of San Francisco and the Equitable, was likewise found guilty of rebating.

THE new employers' liability law in Great Britain has caused the organization of new companies and a knifing competition. One company is reported as refusing to deliver its policies at agreed rates, and is asking and receiving a higher premium. The strong, conservative Employers Liability Assurance Corporation, which writes business with the expectation and ability to pay losses, has not joined in the mad fight. It carries no machette.

LIFE OFFICES report six months writings as follows:

	Six months. 1897	Six months. 1898
Ætna	\$ 9,781,701	\$11,598,304
Germania	5,576,106	5,945,258
Mutual Benefit	16,901,825	18,231,802
New England Mutual	6,441,649	7,108,042
Northwestern Mutual	29,449,191	33,713,469
Pacific Mutual	2,051,998	2,531,212
Phoenix Mutual	5,395,400	6,612,825
Provident Savings	11,878,876	13,457,686

THE FIRST example of life assurance (says a Glasgow paper) of which there is a legal record was the policy made on the life of Sir Robert Howard for one year from 3d September, 1697. He died on 3rd September, 1698, and the merchant who insured him refused to pay. It was decided in the law courts, however, that "from the day of the date" excluded the day itself and the underwriter was held liable. It is recorded that in 1739 Sir Robert Walpole, the great parliamentarian, made himself so unpopular in trying to effect a treaty with Spain, that on driving to the Houses of Parliament one day he was pelted with ancient eggs, extinct cats and puppies, and any other suitable projectile which the mob found handy. Sir Robert resented these attentions on the part of the public and so went next day to an insurance office where he took out a policy entitling him to receive a substantial payment should they occur again.

THE Fidelity and Casualty is issuing a combined accident and health policy at \$35 and \$40 per annum.

By Darkest Paths, or the Seamy Side of Life Insurance, is the title of a series of interesting articles appearing in *The Review* of London. We shall take pleasure, as will our readers, in the reprint of some of them.

OF THE Life Insurance Clearing Co. of St. Paul the Illinois insurance report says: The examination showed that its previous sworn statement contained gross misrepresentations. The actual value of its real estate securities was considerably overstated, a large amount of unpaid losses was suppressed, and contributions from stockholders, which subsequent transactions showed to be for temporary accommodation only, were put into the statement in the shape of permanent contributions to surplus, and as cash in bank, when in fact they were stockholders' notes held by the bank, and subsequently returned to the makers.

THE Mutual Life has issued a new policy, called the "guaranteed compound interest-gold bond." When a premium falls due, the company credits to the policyholder a sum equal to 3 per cent. of all premiums previously paid. The sum so credited, or any part thereof, may be drawn in gold coin at any time. Interest will be allowed on all sums so credited and not drawn, compounded annually at the rate of three and a half per cent. per annum. The company will pay in gold coin the reserve and the surplus then to be apportioned, if the policy be in force and be surrendered at the end of the first distribution period or within thirty days thereafter. Other liberal gold guarantees are offered.

WHAT strange things men say under the excitement of the moment. A pretty clear exposition of "bluff" was shown in the following expression of a very prominent life solicitor when asked if he could not show the prospective applicant some comparison of the grand results of his company vs. their opponents. "No, sir! we make no comparisons. Comparisons with the — are unnecessary. Our president does not consider that man a life agent who can't sell the —'s policy without comparisons." Rather bold, but when the prospective suggested that a salesman who has a good thing never feared comparison, the expert withdrew and an opponent with comparison wrote the business.—*Surveyor*.

THE end of rebating may come only with lower rates.

LIFE INSURANCE is a necessity in well-regulated families.

BEFORE SANTIAGO, \$20,000 losses, is the record of the Massachusetts Mutual.

EIGHTEEN employers' liability companies have recently been organized in England.

YALE University has conferred on President Greene of the Connecticut Mutual the degree of master of arts.

THE Berkshire Health & Accident Ass'n. of Boston couldn't stand the official search light, and a receiver has been asked for.

THE Woodmen of the World (or a small part of the world) held its annual meeting in San Francisco last month. F. A. Falkenburg of Denver was re-elected head consul. The "head auditor" was re-elected, but new men were made "head banker," "head adviser," "head escort," "head sentry," and "head watchman."

THE IMPROVEMENT OF THE TIMES, the wave of prosperity, is indicated by the Illinois industrial figures. The new business of 1896 was less than that of the former year by 34,178 policies and \$4,754,360 insurance; while the new business of 1897, pushed on by the "wave," was an increase of 32,953 policies and \$5,334,462 insurance. Forty-one life companies wrote 81,473 more policies in 1897 than were written by them in 1896, the increase in insurance written amounting to \$127,561,380. The net increase in insurance in force in '97, on \$949,757,638 of new business written, was \$274,485,027, being about 29 per cent. of amount of new business written. The net increase made during '96 on \$822,196,303 new insurance written was \$142,000,220, or about 17 per cent. of the amount of new business. The increased prosperity prevented a deal of lapsing.

The Old Wayne Mutual Life Association.

This is a scandalous Indiana old folks insurance scheme. Three suits have been filed on unsatisfied judgments, asking for the appointment of a receiver. Plaintiffs allege that it is wholly insolvent. The *Spectator* (which says it refused the Guarantors ad) advertises this humbug.

British fire offices according to the *Policyholder*, made 8 per cent underwriting profit in 1897. "after calculating the unexpired liability on the basis of 33 $\frac{1}{3}$ per cent."

Special Agent Robert Edgar Hall.

This young gentleman, formerly a special agent and latterly a practicing lawyer, has been appointed special agent for the Manchester, Caledonian and American, by Manager L. B. Edwards. His field will be Colorado, Utah, Montana and Wyoming.

Robert Edgar Hall was born in Wheeling, West Virginia. He was graduated from the law department of the University of Virginia in 1886. After practicing law in Wheeling until 1891, he removed to Denver, where he immediately accepted a position as special agent for the Commercial Union Assurance Company in the Northwestern department.

Mr. Hall held this position for two years. He then resigned and joined Sylvester G. Williams of Denver in the practice of insurance law and the adjustment of fire losses, under the firm name of Williams & Hall. This partnership is now dissolved, Mr. Hall withdrawing to accept the offer made by Manager Edwards.

Special Agent Hall assumes the duties of his new position equipped with experience in field work and with acquaintance with the extensive and rich district which he will have in charge. He is an energetic and popular man, and every sign points to success in his new position.

Connecticut Indemnity Association.

The serious embarrassment and suspension of this stipulated premium assessment life insurance association was chronicled in the August *Coast Review*. The secretary, in a recent interview, announced a discovery made too late, as follows:

"For more than a year past the active management of the company was satisfied that its business was being done on too cheap a scale, and the only proper move was to change it from an assessment to a legal reserve company, thereby increasing its rate of premium."

IS LIFE worth living? It is the old question, well answered by, It depends on

the liver. But it depends also on the subject. The heirs of a rich man may often be sure that the life of a mere money-grubber is not worth living. Probably they are right. The way to live is to enjoy life by liberal but judicious expenditure of money: and a man is justified in spending money thus if he carries a liberal insurance on his life.

Knights of Pythias.

The insurance branch of the Knights of Pythias has 53,575 members with nearly \$100,000,000 insurance. The alleged "resources" are \$523,226, of which \$9,798 is entangled in a bursted bank at Ft. Worth, Texas, and \$236,127 is invested in a Chicago hotel in the hands of a receiver, on which the order's security is only a fifth lien. The money of the order has been very poorly invested. With such a record a regular company would have been forced into the hands of a receiver long ere this. The Knights have just borrowed \$25,000 to pay grand lodge expenses.

Marine Insurance Tax.

The internal revenue commissioner at Washington has issued a circular to local collectors as follows: "The tax on marine insurance is to be paid by a stamp representing one-half of one cent on each dollar or fractional part thereof upon the amount of premium charged. It appearing to the satisfaction of this office that from nature of the marine insurance business it is only possible to ascertain the amount of the premiums charged under open policies from the books of the underwriters, and as they have filed a satisfactory bond, you are authorized to accept the affixing of stamps to said books and their due cancellation as full compliance with the law, provided that the stamps are affixed monthly and the figures are sworn to. You will also on the first day of each month, or within ten days thereafter, require a return in duplicate on a form to be prescribed by this office from each of such underwriters showing the amount of premiums received under open policies during the preceding month."

Illinois Ins. Report: James R. B. Van Cleave, insurance superintendent.



ROBERT EDGAR HALL,
Special Agent
MANCHESTER, CALEDONIAN, AMERICAN, N. J., Denver.

MUTUAL FIRE INSURANCE.

A Pretty Theory that Never has Stood the Test of Practice—Thousands of Failures and Millions of Unpaid Claims.

Fire insurance is a guarantee of indemnity for loss incurred by fire, in an agreed sum. The character of this insurance depends on the character of the guarantee.

If the insurer has a fair amount of assets in hand, in proportion to the amount at risk, and has a net surplus,—that is, surplus over capital and all liabilities—in some fair proportion to its capital, it offers first-rate indemnity, no matter whether it is a large or a small company. Sound practices in underwriting, good office traditions, and a fair percentage of surplus, are the conditions of first-class indemnity.

Mutual fire insurance has none of these conditions. In the first place it has no capital, in the second place its assets are nominal, and in the third place it has no good management, no sound practices and no safe traditions. Conservatism is the condition of survival in fire insurance, and mutual fire insurance is never conservative.

A very pretty theory, this of mutual fire insurance, but it does not work in reality. The theory is much like that of the assessment or co-operative plan of life insurance of ten or twelve years ago. We then heard much of the cheapness of the plan and of the beauties of pocket reserves. "Keep the reserve in your own pocket!" bawled the advocates of the co-operative plan, the plan of collecting losses after they occurred. And the members kept it there—and the reserve is in their pockets to this day. When the reserve was wanted to pay death losses, there wasn't a hook strong enough nor a line long enough, to draw out that reserve from the strong, deep pockets of the members. There is no more of that kind of pocket reserve life insurance. The "assessments" are now collected in advance.

It is just that way with "post mortem"

fire insurance. A few losses accumulate, the mutual passes the hat, and the bubble bursts. The managers threaten in vain, but only the solvent note-makers have to pay; and the claimants get little or nothing after the officers' and receiver's salaries are paid. There is a lesson in that list of 133 mutual failures in the August *Coast Review*. They all left long strings of unpaid claims.

In the Pacific West there are now a number of fire mutuals, just beginning, with some hope of holding on for awhile, because little is known of the bad mutual record in the East and Mississippi West. Hundreds of them have failed, yea thousands, not counting the multitude of town mutuals, which wink out like tiny bubbles on the surface, and leave no impression. It is true that some of them hold out, and preserve their semblance of existence, but that is because they have never been tried. There are many townships where there have been few fires, and that is the reason the township mutuals keep up. They are alive because nothing has happened. Their kind of fire insurance is as good as any, as long as there is no loss to pay.

But a few losses break them and the claimants get what the small boy shot at—nothing. Claimants in the Pacific West are going to have that experience, just as the claimants of the old California Mutual Fire Ins. Co. had. Mutual fire insurance will find victims here, because many property-owners believe, and are incited to believe by the interested advocates of mutuals, that fire insurance profits are enormous. Statistics, however, show that the average fire underwriting profit in this country is less than three per cent; and, moreover, that the country business on which the mutuals most depend is written on this Coast at a rate which allows no underwriting profit whatever. What else but failure of these mutuals can result?

In the far East there are factory mutuals, which make regular inspections and insist on fire protective apparatus. Mutuals of this class survive because they

insure only first-class risks with organized fire protection and frequent inspection. The comparative success of these factory mutuals, dealing with a special class of hazards protected as no other class is, has had a misleading effect. They are referred to as examples of fire mutual success, whereas they are examples of inspection success, and as exceptions they prove the rule of mutual failures.

We recently printed an extract from a Missouri paper, the organ of fire mutuals, in which the slow pay of mutuals as compared with stock companies, was confessed with sorrow. Now we have the letter of Secretary Williams, of the Town Mutual Fire Insurance Association, of Stanberry, Mo., very much to the same effect. The secretary says:

"At a special meeting of the board of directors, the board found that it would be poor business policy to longer delay the payment of the just obligations of the association without making adequate demands upon our resources. Heretofore we have tried to pay our losses with a moderate assessment of the notes, but several times the directors were forced to borrow money of the banks. Business is slack, and our losses have reached such a point as to necessitate the collection of the full face value of every note outstanding. We urge our members, who ought to be as much interested as ourselves, to respond promptly to this call. We must have this money within twenty days!"

This is not a pleasant prospect for the members, and especially the claimants. Unpaid losses have accumulated. The members' notes, given to meet an emergency never expected, must be paid forthwith or suits and costs will follow. The claimants, sad faced, await results which are sure to be disappointing. Such is mutual fire insurance, everywhere, in practice, however pretty it may be in theory.

We warn the people of the Pacific West against mutual fire insurance, just as we have warned them against a hundred and more humbugs and frauds that afterward vanished, leaving unpaid claims. Whoever buys mutual fire insurance is bound to be "stuck." Let it alone. It does not

furnish real indemnity. It always fails when subjected to the test of any considerable loss or of a series of small losses.

Pennsylvania Insurance Department on Mutual Fire Insurance.

We append a few quotations from the Pennsylvania insurance report, showing the poor character of mutual fire insurance in its home, where the conditions for its survival are far more favorable than in the West:

THEY COLLECT PREMIUMS AND AVOID PAYMENT OF LOSSES.

The only purpose of a number of these organizations, judging from their operations, seems to be to collect premiums and avoid the payment of losses. In this they have been more successful than ought to have been possible. The law affords no adequate remedy. The law lays its heavy hand upon stock companies the moment they permit their capital stock to become impaired beyond a certain point, and there is no good reason why mutual companies should be allowed to issue worthless policies when they are insolvent.—*Pennsylvania Ins. Report, 1884.*

CANNOT COLLECT LOSSES BY LEGAL PROCESS.

Experience shows that when a company is unable to collect enough money by assessment to pay its losses, the confidence of its members is impaired to such a degree that no compulsory process is of much avail. Resistance becomes general on the part of policyholders because of excessive exactions resulting from bad management, and the cost of enforced collections of small amounts from a membership scattered over a large territory renders the net result in favor of creditors nothing, or hardly worth the effort expended. The company is moribund when the act first applies, and the best that can be accomplished, in most cases, is to have its death officially declared and its capacity for further mischief arrested.—*Pennsylvania Insurance Report, 1888.*

INSURANCE BUSINESS IS OVERDONE.

As a means of securing cheap insurance, the multiplication of mutual companies is not very promising. That these organizations have increased beyond the legitimate requirements of business, is apparent when it is observed what a feeble and sickly existence many of them lead. These feeble companies really afford no security to the policyholders, as a few severe losses would practically terminate their existence. The field of opera-

tions, originally wide and inviting, has been occupied, and the new creations have little chance in competition with their venerable competitors. In fact, the insurance business, both stock and mutual, is overdone, and is now suffering all the evils of excessive competition.—*Pennsylvania Ins. Report*, 1877.

MUTUAL IRRESPONSIBILITY A MOCKERY.

A very serious evil, and one sanctioned by judicial decision, is that of permitting purely mutual companies, without capital stock or reserve, to write cash or stock risks. It seems like a perversion of the whole current of insurance legislation to sanction this practice. In the past, it has proven disastrous and oppressive, except in the experience of a few companies specially empowered to write cash risks, and maintaining at all times an adequate reserve for their support. The line of demarcation between stock and mutual companies should be so distinctly drawn, that neither could infringe upon the province of the other. It is a solemn mockery for the law to protect policyholders from imposition in the case of stock companies, by requiring them to have a securely invested capital and a sufficient reserve, while mutual companies are free to assume the same kind of risks without capital, reserve, or any of the securities so rigidly exacted of stock companies for the protection of their policyholders.—*Pennsylvania Ins. Report*, 1877.

INSOLVENT MUTUALS THAT ARE LICENSED FRAUDS.

Attention is again directed to mutual companies which write cash risks, and are utterly insolvent. They generally do an underground business in other States where they are not quite so well known as at home. When losses occur they refuse to pay upon some convenient pretext. In one notorious case claimants can find neither office nor officers. These companies are licensed frauds, and some means should be provided for terminating their existence and their opportunity to prey upon the public. While it is true that no prudent person would accept and pay for a risk in such a company, there are always ignorant and incautious persons enough to afford them opportunity for transacting their infamous business. Brokers often impose the policies of these companies upon the unwary, generally in other States.—*Pennsylvania Insurance Report*, 1881.

COUNTY LIMITS ARE TOO NARROW.

The act of 1876 affords great facilities for the incorporation of mutual fire companies,

and in most cases they have been organized for the purpose of meeting a supposed local want, their area of operations being generally confined to the particular county in which located, and in some instances to several townships. It is questionable whether this is not a mistaken idea, for the reason that it must be very difficult to obtain, within such restricted limits, sufficient insurance to secure the average necessary to the successful operation of the system. Starting with the minimum of two hundred thousand dollars of insurance, all within the limits of a single county, several severe losses during a year, would result in assessments at a higher percentage than that generally exacted by well established companies, having a broader basis, and, perhaps, cost the insured even more than the rates of good stock companies for a similar class of insurance.—*Pennsylvania Ins. Report*, 1877.

FALSE STATEMENTS OF RESOURCES.

In the advertising bidding for business sent out by some of the companies appear figures greatly at variance with those in the sworn annual statements of the same companies as made to the department. The advertised figures of two mutual companies, which have been sent to the department by some suspicious citizen not willing to blindly confide in them, are in point. These figures enlarge the assets and reduce the liabilities by processes which are easy enough to any figure juggler, when no actual responsibility attaches to it. It is dishonest. It is intended to deceive the people whose business is sought and to make them believe these companies are something that they are not.—*Pennsylvania Ins. Report*, 1895.

ASSESSABLE MEMBERS ROBBED.

A Philadelphia mutual company reports \$450,958 insurance in force, with assets of \$740.58 cash and \$1,227.34 of premiums not more than three months due, a total of \$1,967.92. The possible assessments on policyholders to cover losses is only \$10,187.24, or only a little over 2 per cent. of outstanding insurance. The present liabilities are \$3,834.08, or double the cash assets. The premiums on cash policies received last year were \$1,627.90, while the losses incurred in other States, presumably on cash policies, were \$1,706.58. An approximate figuring on the amounts in force shows that the same premium was collected in cash from both classes of policyholders and the assessable people are, therefore, paying for the privilege of insuring the cash people.—*Pennsylvania Ins. Report*, 1895.

The Greenwich Insurance Company.

The annual statement of this old New York company discloses a happy state of affairs, with increasing assets and surplus funds. The net surplus of over \$400,000 over capital and all liabilities is a handsome element of strength, and the large proportion it bears to the capital gives it additional value. The assets gained over a hundred thousand in the year under review, and the surplus was advanced the same amount. These are creditable gains for a year, but from January 1 to July 1 of this year the Greenwich has made equal gains. Six months of this year equals twelve months of last year. If we may be allowed the use of an expressive slang phrase, "things are coming" the Greenwich way. The company's surplus over capital and all liabilities is now nearly half a million.

The Greenwich is extending its plant in this field. The Pacific department is operated under the management of Tom C. Grant. Davis & Henry are general agents for California. F. G. Taylor of Tacoma is general agent for Washington. A combination like this is bound to produce substantial results, and the Coast figures of the Greenwich for this year, under the new arrangement and more ambitious policy of the company, are likely to be much more in keeping with its age, good record and handsome net surplus.

A Merchants Fire Co-operative at Astoria.

Merchants in Astoria, Ore., led by one Herman Wise, are "working on a plan to establish a merchants insurance company." Our authority is the Astoria daily press. Mr. Wise or the daily paper is so wise as to know all about fire underwriting, and therefore states authoritatively that "Astoria has fire protection that is not surpassed anywhere, and the rate charged is 50 per cent. too high." If a fire underwriter were to say to Mr. Wise that his rent and other expenses were low, and that his prices were 50 per cent. too high, what would he naturally think of the

common sense of that impudent fire underwriter?

According to the newspaper account, the Astoria plan is for the merchants and other property-owners to take stock in the new scheme to the amount that each pays annually for insurance. The "average rate now charged is 7 per cent.," and with the new plan "at the end of six months or a year the rate could be reduced to 3 per cent. and eventually much lower." How easy! And "this would save to the city nearly \$100,000 a year," writes the enterprising reporter. The scheme is amusing, but we fear that there are not enough foolish property-owners in Astoria to carry it out. We "fear" it, because the cracking failure of the Astoria Co-operative Fire, after the first serious blaze, would supply the *Coast Review* with an interesting news item and a fine moral for subsequent editorials on the essential weakness of fire mutuals and the folly of property-owners who risk their values for such miserable indemnity.

THE state, every state, collects from the companies much more than the expenses of the insurance department. It should, therefore, pay the expenses of examinations of insurance companies. If such were the case, there would be no junketing trips, no wedding trips at the state's expense, no needless examinations. For many years this journal has urged the amendment of the laws, so that insurance departments should make needed examinations at the expense of department funds. Then the examinations would be more thorough, with less chance of scandalous inefficiency and the acceptance of hush money. Many such examinations, made only for the sake of collecting fees in exchange for department "puffs," have pronounced the "examined" companies solvent only a few days before their failure.

IN NAVAL combats in the late war it was found that wood chemically treated to prevent ignition was set on fire by bursting shells.

Pacific Coast Association of Fire Chiefs.

This useful association of fire fighters met in Seattle on August 24, with members present from all over the Pacific West. Papers were read and discussed. We copy from the *Seattle P. I.* of the 25 and 27, the following:

The afternoon session opened with the reading of a paper on civil service and its adaptability to the fire department by Chief Kellogg, in which he depicted forcibly the benefits to be derived from the system, as well as its few weak points. The chief advantage, he said, was in keeping the department out of politics, as constant changes rendered it impossible to attain to an efficient organization.

Chief Moore addressed the convention, by request, on the chemical engines now in use. In his experience in Los Angeles, the chief said he had learned to value the chemical engine above all other appliances. He advocated more especially the use of the combination engines that carry a chemical outfit on the regular hose carriage, enabling each company to have appliances for the extinguishing of any size of fire. Frequently, he said, it was the case that a small fire could be handled entirely by the chemical engine with only a small percentage of the loss that would ensue from the use of water.

Chief Wright set forth the peculiar condition of affairs in Roslyn. It appears that the miners are not allowed to take explosives into the mines and the result is that the dangerous materials are kept in their houses. When fires occur in private residences there are often severe explosions. On one occasion seven firemen were maimed and injured. It was the sentiment of the convention that a place should be established by ordinance for the storage of all explosives.

Chief Parkins, of Nanaimo, B. C., said that the water mains were small in his city and that he desired the establishment of cisterns for the storage of water. The city authorities, however, thought cisterns were out of date, and for this reason the chief desired an expression of opinion from the convention. The chiefs agreed that cisterns were still in use, and were considered a valuable auxiliary to water works.

A. R. Pinkney, the local fire department electrician, presented a paper, dealing with the subject, "Can Electric Light and Power Wires Be Made Safe?" It was his opinion that the only way would be to place them un-

der ground. "However," he continued, "there are a great many cities and towns that cannot or do not so place them. I realize what an expensive undertaking this is for the respective companies, yet I believe it to be a wise business proposition in the end. Where electric light and power wires are not so constructed we, of course, have to deal with them in a very different way; consequently, that which is the best way is the one we are seeking. In the first place, if we knew where dangerous wires were we would be more cautious in handling them. Hence the necessity of knowing them.

"I believe that every wire carrying 500 volts and upwards should be plainly marked by using red insulators. It seems to me that if this system were carried out we would, in a comparatively short time, become familiar with the different heavily charged wires. Firemen on their rounds of inspection in their district could soon learn where they run, and consequently would use more care than were they unknown.

"Secondly, I believe that the different companies engaged in furnishing high potential currents should combine in keeping one man at least in cities of from 50,000 to 100,000 inhabitants, whose duty it should be to respond to all alarms where dangerous wires are in operation. By being familiar with all the different circuits he could render valuable assistance to the department when a fire is in progress. Heavily charged wires should be forbidden, under all circumstances, to run over roofs of buildings. I cannot lay too much stress upon the necessity of keeping wires of all kinds away from fire escapes. In many places standpipes are constructed alongside of, or fastened to the fire escapes, making thereby an excellent escape for the current, and a very dangerous place to use when, perhaps, greatly needed."

HOPE FOR KANSAS.—Everybody knows what a bad reputation this American state has recently acquired. Capital now shuns it, and its industrial and political future is in doubt. Its officials utter treasonable sentiments, and are demagogues of the worst type. The Kansas volunteers reached San Francisco in rags. The governor and the insurance commissioner are notorious. Cranks are on top, renegades are favorites, and isms of the crudest sort find many adherents. The war of the officials on corporations is ill disguised war on property; the abuse of authority is unmistakable blackmailing; the silly state

insurance project, if not a scheme to increase offices, is attempted revenge for resistance to blacknailing. But there is hope for Kansas. The issue in the Fall election is clearly defined. On the one side is law and order; on the other is socialism tinged with anarchy. It must be that there are enough intelligent and nonpartisan voters to turn the scale in favor of conservatism and against the socialism which will destroy all prosperity. If the governor and McNall and insurance by the state are endorsed, then God help Kansas.

Montana Mutterings.

Special Agent A. W. Thornton of the Aachen & Munich has been visiting in this vicinity during the month, and reports business improving.

Supervisor of Agencies Ed. C. Morrison has been making his annual tour of the state, reminding the agents that the old Etna is still in the field, as hungry for business as ever.

G. H. Mendell Jr. has returned to this field, after an absence of several months in southern California, and is again looking after the interests of the Fireman's Fund and Home Mutual.

Chas. R. Thompson is a visitor from the Portland field, succeeding Special Green in caring for the interests of the United States.

A. F. Gartner takes up his residence in Butte, and will devote his entire time to the state of Montana, in the interest of the Home of New York.

Edward Niles is visiting the agents of the North British and Greenwich. As he has his "Knapsack" with him, he is evidently on a long trip.

Lucian W. Knight is a new face in this field. He is Northwest special for the Phoenix of Hartford.

H. E. Parkhurst, special agent for the New Zealand, ran over from Idaho, to visit his brother of the "Board office" in Butte.

Butte City has purchased a lot and will erect a new fire station in the center of the city. This is a very necessary improvement, as the large number of alarms lately turned in have kept the boys and apparatus at the Central station on the jump. A large number of the recent fires have been of incendiary origin.

Manager W. J. Callingham paid Butte and several other of the larger agencies a visit during the last of August, but the Sun was too hot, and he returned to San Francisco direct from Butte, promising to return later in the season. He expressed himself as well pleased with the general outlook, and indications of prosperity in this state.

"MONTANA MIKE."

Utahwise.

Frank L. Hunter, special for the London and Northern, who has been visiting the agencies in this state, returned to San Francisco from Salt Lake.

Special Agent Jolly, who has been absent for several months, is again in evidence, and as his family have returned from California, it is more than probable that they will be "at home" for the rest of the year.

J. K. Urmston, a former local agent of Los Angeles, is located here as special for the London & Lancashire.

W. A. Mathews paid the agents of the Imperial and Lion a visit the first of the month, and has gone to Colorado.

Edward O. Hughes of Denver, special for the Palatine, was a visitor the first week in September and was accompanied by his wife and baby.

John A. Prinsen, special agent of the Prussian National, has been a visitor during the month.

"HATU."

Portland Jottings.

W. J. Callingham has been doing the water tanks of the upper country for the last six weeks; and when seen at Spokane, after his return out of the Palouse (where the temperature ranged from 100 up) he looked as though he had been thoroughly parboiled, and would thank his lucky stars when seated again in the managerial chair. We heartily approve of the course adopted by Brother Callingham. The closer touch the manager has with his representatives in the field, the better; and the manager who will pursue the method adopted by both Mr. Callingham and Mr. Lowden will be the ones to reap the benefits in this field.

During the month we were also honored by a call from Manager Rolla V. Watt, who passed through en route to Vancouver, whither he was bound to meet officials of his company now doing the Pacific Coast.

"Let us return thanks unto this day (August 2nd). It was a long, hard and dry pull. W. H. Raymond. A. R. D. Patterson. Robt. P. Fabj."

Ask Special Agent Burke what became of his grip. He'll tell you. He won't like to, but he will. He is a "natural born joshier," but recently it has been the case of a joshier joshed. Giesey will tell you all about it.

We find that one or two of the companies on the Coast are granting the use of the acetylene gas machines without the usual printed permission and conditions. We believe the adoption of this procedure on the part of any company to be exceedingly dangerous, and sincerely hope that the association will take steps looking to a uniform rule governing the matter. Acetylene gas at the best is an experiment, and there are so many worthless machines now in use that steps should be taken to prevent disaster following their adoption. Nearly all companies require the observance of certain conditions and the use of specific machines. This, we believe, to be the logical course to pursue. Can we rely upon the *Coast Review* to perform missionary work in this particular?

ALARM BOX.

Chronicle Fire Tables.

These invaluable tables of fires in the United States, compiled for the past year, have just been issued in book form, by *The Chronicle Co.*, New York. The United States property losses by fire in 1897, as conscientiously compiled by the men having this work in charge, make a total loss of \$116,354,575, of which \$66,722,145 was covered by insurance. This proportion of uninsured loss is a reflection on the prudence of owners or the industry of agents. At least three-fourths should be covered by insurance.

Losses have been steadily declining since 1893, when 168 million dollars worth of property turned to ashes. That was the year of panics, when about 250 American banks were fatally ruptured. But '94, '95 and '96 were hard times years, too; and yet the National ash heap kept dwindling, first to 140 millions, then 142, then 118. The theory, advanced in some quarters, is that in these bad years business failure and a satisfactory compromise was an easy affair; another theory is, that both legitimate and illegitimate mercantile and industrial fire losses were fewer in number and less in amount, because the hard times closed up many of them and generally reduced stocks on hand. Anyway, the

fact is that during the hardest times in this country since the '50's the fire loss per capita was unusually low and the fire insurance companies made money.

Improved fire departments and a better character of buildings have doubtless had something to do with the decreased totals; for "a study of the tables giving the number of fires and the number of risks burned yearly shows a steady increase yearly." The number of risks burned in 1897 was 74,740 and the number of fires was 55,779. The average property loss was \$2,086 and the average insurance loss was \$1,196. The risk to which the most careful owner of property is exposed is shown by the fact that 26 per cent. of the loss was from "exposure." The careless neighbor and the inferior adjacent risk endanger even the finest hazard. Electricity again caused five million dollars losses. This hazard is steadily increasing. Incendiarism is charged with less than 10 per cent. of the fires.

We compile from the tables these few suggestive "numbers burned:"

Bakeries	493	General stores . . .	1,753
Barns, etc.	11,811	Hardware stores . .	235
Boot-shoe stores . .	331	Hotels	991
Barber-shops	381	Ice-houses	256
Churches	735	Livery stables . . .	437
Clothing stores . . .	337	Millinery stores . .	302
Dry-goods stores . .	518	Offices, private . .	1,192
Drug stores	309	Printeries	321
Dwellings	33,033	Restaurants	535
Foundries	357	Saloons	913
Furniture stores . .	317	School-houses . . .	380
Grocery stores . . .	1,473	Tailorshops	302

About every risk you can think of, even the asbestos factory, is represented in *The Chronicle Fire Tables*. Observe, that 735 churches burned; also 506 public halls and lodge-rooms. The church loss was about a million, of which only half was insured. It requires the insurance of say 35,000 churches to pay the losses and expenses. We commend these figures to that underground, the new National Church Mutual of Iowa.

Presentation to President Chase of the Hartford Fire.

At the recent annual meeting of general and special agents at the head office of the Hartford Fire, President Chase was presented with a handsome watch and a beautifully embellished memorial book. The occasion was the completion of thirty-one years of active service as president by Mr. Chase. The treatment of the first or superscription page is intended to be suggestive of gold and silver "Chasing" as a kind of decorative pleas-

antry on the name of the president. The design represents a flaming torch entwined by a spray of laurel and a scroll bearing the company's motto, supported by two figures (armorelled to suggest "protection"), the lower extremities of which break in floriated scroll work. The flames issuing from the torch are antler-like in form and surround a decorated circular panel, within which appears the crest of the company—a hart fording a stream. Another page bears a second decorative pun on the name of the president. A hart leaping out of the initial "O," while a horseman breaks through the underbrush behind, winding his horn, represents the "Chase." Another is decorated with an ornamental rendering of the Michaelmas daisy or "fireweed"; the last with scroll work, at the head of which is entwined a hunter's horn as another slight reference to the "Chase," and at the foot is set a monogram of the president's initials.

National Association of Life Underwriters' Meeting.

The ninth annual meeting of the National Association of Life Underwriters, at Minneapolis, closed on August 19 with an elaborate banquet. The meeting is declared to have been a great success. Gov. Clough delivered the address of welcome.

Richard E. Cockran, third vice-president of the United States Life, was elected president of the association: E. W. Christy of Cleveland was elected secretary; and among the new vice-presidents is F. A. Stolp, of the National Life, of San Francisco. Buffalo was chosen as the place for next year's meeting. G. W. Johnson of Cincinnati won the Calef loving cup. Full reports of this successful meeting first came in the *Minneapolis Journal* of August 20. The San Francisco Life Underwriters Association was represented by F. A. Stolp. The Cincinnati, Western Massachusetts and Eastern New York associations—only three out of twenty-four—were unrepresented.

Characteristic extracts from the papers read we make as follows:

PRESIDENT BOWLES' ADDRESS.

For some years past, one of the worst evils in the field work of life insurance has been

the practice by some agents of undermining the faith of the assured in whatever company he might be insured, and, by specious arguments, to induce him if possible to change his insurance to another company; a practice probably more particularly indulged in by agents of the larger companies towards the business of the smaller ones. The unfortunate but general lack of knowledge, of the insured, of the insurance business, and of a clear conception of the average policy contract under which he is insured, makes it readily possible for the agent of questionable methods, avaricious to secure a commission, to work great loss and injury to the insured, and to the business of life underwriting as a whole, by transferring policies from one company to another.

Let it be the aim of every member of this association to uphold the integrity of all responsible, solvent companies, whether they be large or small, and by such course strive to deepen the faith, which is the cornerstone of the house, in the mind of the policyholder and the public, towards all companies which are carrying on the great business of life insurance; which means the permanent success of the agent, and the highest development of the man.

G. W. JOHNSON.

Calef Cup Prize Essay.—Civilization is possibly only under general recognition of reciprocal duties. Selfishness may be a fit creed for savages, but progress, happiness, satisfied conscience come from respecting others rights while maintaining our own. We must give as well as take. The equities we demand we must concede. Each new personal relation involves peculiar mutual obligations, and we live well or ill as we meet them.

Apply these dicta of moral philosophy to the business of life insurance. What are the relations of the parties concerned? What duties arise, and whence?

A company engaging an agent finds him either idle or desirous of improving his condition. Thus the contract is a favor to him, a privilege, a license analogous to a corporation's franchise from the state. His slender strength secures the prop of a great financial prestige. This favor may be reversed, but primarily the agent is the chief beneficiary. He receives materials, rudimentary instruction, a chance to earn a living if he will. He probably receives an office, perhaps advances of money. The company advises, solves difficulties, acts promptly upon business, hampers

little by rules, allows him to work when and how he chooses—an easy taskmaster, quick to appreciate and reward. True, his compensation is but a percentage, it may be nothing, but it is limited only by his capacity, and may exceed a salary. He is no independent broker, no free lance, but an enlisted soldier, an employe bound by grateful loyalty to devote all his time, thought, energy, to his employer's welfare. No measure of success relaxes the obligation. His achievements are the outcome not of his labor and persuasive logic only, but far more of the preaching, long years before, by insurance apostles—of his company's record, of wisdom not his own. Agents are essential; but the company is more essential to the individual agent than he is to them.

The agent is a trustee, enjoying especial confidence. A bond may protect the funds he handles, but no bond could cover betrayal of his larger trust—his company's good name. No precaution can obviate, no espionage can discover the harm done by exaggeration, ignorance and carelessness of solicitors. Here is enough to put a man on his mettle. His acceptance of contract creates the obligations of work and honesty. Unless he sells insurance he is a clog. His sales should be commensurate with his opportunities, as large as possible with due regard to quality. For above all he must sell well. He builds for a future. A company is great only as an aggregate of many small policies, safe according as each single risk be well selected, enduring only as each member credits its soundness and good faith. Errors are never wholly rectified or explained away. One fraud begets another, one deceived policyholder disaffects a score. The agent must view each risk from the unprejudiced standpoint of an examiner. He must secure applications by methods that need no concealment and leave no ground for complaint. He must make each applicant his company's friend. Finally, when he collects a premium he must settle immediately.

The agent owes somewhat to other companies than his own. They are not wholly rivals, but in broader sense allies. They, too, have labored, his fellow masons, on the great structure; their records in large part inspire the popular confidence to which he appeals. If he asks fair, open fight, let him deal no stealthy blows. Let him avoid detractions. Let him rather be generous, prove himself above littleness, and elevate his calling in the public's eye.

To the trained agent a man is not a man, but a possible applicant; the world is in two

divisions—the people he has insured, people he hopes to insure. He abandons no case as quite hopeless, nor grants that any man has secured his limit until dead. Towards all mankind he stands in an attitude of deferential but aggressive expectancy. If he pleases customers he succeeds; if he antagonizes, he fails. Let his company be the strongest, suspicion of him personally is fatal. His manner of approach and argument, his personality in short, test his fortune. Small fear, then, but self-interest will dictate courtesy and tact. The danger is he may learn no more and disregard his duties. Is there a duty? Must not each man guard himself? Must not the buyer always beware?

The agent occupies a dual position. Ostensibly he represents the seller, but, in fact, he constitutes himself the buyer's broker. He invites his intimacy, assumes the post of father-confessor, and in the name of wife and children advises insuring. A trust so acquired is sacred. No thought of commission should obscure the client's interest. The claim to superior knowledge must be preceded by study, or the blind will lead the blind. If the agent be saturated with the theory, the practice, the evolution, the noble history of his profession, his very fullness will make him brief, simple and truthful. He should diagnose his cases, and according to each man's circumstances offer what best meets his needs. He should describe his proposition not merely so it may be easily understood, but so that misconception is impossible. He should himself question, and so learn if through ambiguity of language, or ignorance of technicalities, there be any error lurking in the other's mind. Let him rather understate than overstate. Let him distinguish guarantees from estimates, avoiding euphemisms; a spade is a spade. What if the buyer does take alarm? Better know the whole truth now than next year from some one else. This very caution will seal the trust already signed. Better lose than mislead. The agent deals, not merely with the question of a few dollars for his own pocket, but with the happiness, it may be with the bodies and souls of dependent women and children. His white faith is his capital; let him not wreck it. Ability to inspire other men with belief in him is God-given; let him beware of misusing the talent!

C. W. VAN TUYL.

We are now to consider how well our companies have served the interests of the individual policyholder, the man who buys insur-

ance for the protection of his family. Touching his relations to the company, even insurance men will do well to remind themselves of the meaning of the word "mutual." The policyholder is the company. It exists solely for him. The officers and agents are his employees. He owns the assets. He pays the bills. The surplus is his. The company must prefer his interests upon all points in order to justify its existence.

Now what does the policyholder want? He is quite primeval, for his wants are few and simple. He wants his insurance to be safe and as cheap as safety will permit, and that is all.

Of the safety of our old line companies—and no others are insurance companies—the policyholder is assured. Over half a century has tested the soundness of the system and the unsoundness of other systems, and repeated panics and depression the character of the assets. On the subject of cost, some criticism will be inevitable. No human institution calls for unbroken panegyric, and perhaps it is fitting if in the division of labor to-night an insurance agent essay the criticism and leave to our friends of other callings the pleasanter privilege of praise alone.

Let us first read the record exactly as we find it. During the centennial year of 1876 the expense of the companies reporting to the New York state insurance department was 13.7 per cent. of their income. In 1893 it was 23 per cent. In 1876 the same companies paid their policyholders dividends of 17 per cent. of their income. In 1896 they paid 6 per cent. The deferred dividend systems under which dividends are accumulated instead of paid, partially explain this reduction, but in 1876 the accumulated surplus was about 15 per cent. of the assets, and in 1896 it was 14 per cent., so that the tontine system only partly accounts for the shrinkage. And when we consider that 1 per cent. reduction in surplus, then the tontine system works against us materially. The 15 per cent. surplus of 1876 was a true surplus, that of 1896 consisted largely, as has just been said, of tontine accumulations, which are really a liability. We shall not be far from the truth if we say that the real surplus in 1896 was not over 6 per cent. against 15 per cent. in 1876.

A summary of this record of twenty years is: An increase of nearly 80 per cent. in expenses; a decrease of two-thirds in dividends paid and of one-fifteenth in surplus accumulations.

Now let us compare our collective American

record with that of a great foreign country. One of the best, in some respects the most successful life company in the world, is the Australian Mutual Provident Society of Sydney, Australia. It was founded in 1849. Its mathematical basis and organization are essentially the same as ours, and Australia is certainly not a better insurance field than the United States.

The Mutual Provident's income in 1896 was a little over £2,000,000, and it paid dividends of £429,000, or about 21 per cent. of its income. We paid 6 per cent. Between 1876 and 1896, while our dividends decreased from 17 per cent. of our income to 6 per cent., the Mutual Provident's dividends decreased only from 22 per cent. to 21 per cent., which slight decline would be more than explained by the lower rates of interest. On the basis of their premium income their percentage of dividends increased from 29.1 per cent. in 1876 to 33.4 per cent. in 1896.—[A number of American life offices* show equally good results. It is the immense new American business that brings up the expense ratio.—ED.]

The explanation of this difference in dividend records is very simple: There expenses in 1896 were about 9 per cent. of their income, while ours were 23 per cent. Their average commission on new business was 35 per cent., ours was 54 per cent., not including a large element of salaries and advances properly chargeable to new business.

So much for the expense record. When we compare the relative character, the stability, of the business secured by the respective expenditure, we are equally surprised.

Between 1876 and 1896 the American companies already quoted issued over eleven billions of insurance—and gained three billions. Yet the loss by death, maturity and expiry was only about \$1,237,000,000. This means that out of \$11,000,000,000 of insurance, nearly \$7,000,000,000 was unstable business. During the same time the Australian company wrote about £60,000,000, and gained about £30,000,000. They gained one-half of what they wrote; we a little over one-quarter. On Jan. 1, 1897, they had in force 56 per cent. of all the business written since their organization. We had less than one third.

It is not intended to criticise every American company. We know that some have been thoroughly economical. This is not the place to particularize, but these facts show that the American business as a whole has been expensive and unstable. Our companies have been

a rock for security, but their insurance has cost too much.

These are the facts. We claim full credit for our merit. Let us acknowledge the defect and seek to remove it. How shall we lessen the cost and increase the stability of our business?

In this record of the past twenty years, with the increase in expenses we note two apparently contradictory facts: A very large volume of new business, and yet a very small net gain in business. The character of the agency contract under which the bulk of our business has been written explains the significance and relation of these facts. We all know what that contract is. A small renewal on old business; a very large commission on new business as each policy is written, and an additional bonus or some form of emolument on the whole year's business if a stated amount be written.

This system has made the agent's interest to be simply to get new business, get it anyhow, and any kind, but has given him relatively very little interest in keeping it. Indeed, it constantly tempts him to prey on his old business, to lapse and rewrite it and make another commission and bonus. If he cannot sell insurance at full price, he must sell it at half price; at any or no price; he must give the policies away if the approaching end of the year threaten to find him short the amount required to secure that bonus. Under such conditions, a large volume of business is written which is never intended to be kept in force, and it promptly lapses the second year.

Nearly everyone here well understands that, when the expense of new business exceeds the expense element in the premium the excess is borrowed from general surplus to be repaid from renewal premiums on the same policy. We have been paying for our new business far in excess of the loading, and if a policy lapses the second year, the amount borrowed for expenses on that policy is never fully repaid. The company loses money on every such transaction, and when such transactions are also used to collect a bonus on a whole year's work, the loss is very heavy.

This mistaken policy fully explains the weak point in our record. When the system commenced, we must presume that it was designed simply to stimulate agents to more vigorous efforts. Now, every man of sense knows that it must always produce just what has occurred. It completely demoralizes the business. Wherever such agency contracts

exist rebating is and always will be a common practice, and anti-rebate laws and compacts are as powerless against it as the famous bull against the comet. They merely require a subterfuge and add an element of trickery and dishonesty to a plain rebate. We agents all know this perfectly well, and we know, too, that it is mere vulgar deceit for any company to make such agency contract and then sign an anti-rebate compact. "The hands are the hands of Esau, but the voice is the voice of Jacob," every time.

The remedy for these evils is not found in laws and compacts of doubtful validity, because they invade the right of private ownership and are mainly productive of evasion and deceit.

The true remedy is simply to reverse the policy which produced the condition. Reduce the first year's commission to about the expense element in the premium, increase the renewal for a few years proportionately, and under no circumstances offer a bonus for volume. Then the agent will write all the legitimate business he can and will strive to keep it in force as hard as he strove to write it. His income will be about the same as now, but every policy will pay its own way, and there will be no more borrowing on the security of prospective premiums which may never be paid.

One other change must be made if our companies are to be persistently economical. Every deferred dividend must be made a legal liability, instead of masquerading in the surplus as at present. We need not discuss the tontine system. It has merits and demerits. There is at least much to say in its favor; but there should be no difference of opinion regarding the propriety of treating liability as surplus. A man who should count his own obligations as an asset would soon be in financial difficulty; but what should we say of a man who both called his debts an asset, increased his expenses on the strength of that assets, and then paid the maturing notes and the increased expenses from the proceeds of other notes which had already been hypothecated elsewhere? Now, that is just what many of our companies have been doing. The tontine surplus has been used for expenses because it could be so used, because the companies were not charged with it as a liability and did not have to account for it definitely; and, as the tontine settlements became due, the shortage has been borrowed from other like accumulations on which the settlement was not yet due. This kind of

bookkeeping is just as injurious to a company as to an individual. When there is a fund which can be used for expenses almost without limit, and with no liability, every business man knows that such a fund will be so used, and excessively so used. It is idle to expect economical administration until this folly be corrected.

Indeed, to any thoughtful man the strongest reason for faith in life insurance is that our companies are what they are, notwithstanding their defects. A great theologian once said, "the best proof of the truth of Christianity is that it has resisted—not its enemies, that was easy—but it has resisted its friends. It has survived its own errors." Our great life insurance companies have shown something of this splendid vitality. Their foundation is so strong, their system fundamentally is so correct that even very serious errors have not affected their stability. Their policies are a better asset than almost any other known security. When your real estate won't pay taxes, when your stocks and bonds cease to pay dividends and your bank stock turns into a liability, when your stock of goods declines in value and the creditor takes what is left, then that policy remains just what it was. It's a lifeboat that sinks not. It's an asset which never shrinks nor becomes a liability, and which no creditor can touch.

DAVID N. HOLWAY.

There is no keener test of the value of any new enterprise than the expressions of the true philosophers of that generation. We all remember how Dr. Benjamin Franklin said: "Time is money." That was simply an advance proposition of the value of life insurance to the community. It is as though he said, "If you individually live the average duration of human life, your time will turn into money bestowals upon those in your homes, but if you do not live the life insurance company provides for the present worth of your earning power."

But the great growth of life insurance in America during the last generation has been produced by educational processes. Men have been developed within this period to appreciate and comprehend the power of the beneficence of life insurance to American citizenship. They have been ministers of the gospel of home protection. Through storms of misapprehension and even of calumny, they have conquered prejudice and ignorance, and planted the flag of the dove wherever the stars and stripes are unfurled. Little by

little throughout the land has the graciousness of this beneficence animated the thoughtless to action. The solicitor has become the benefactor. More and more completely has he won the patronage, not only of the vast industrial classes throughout the land, but of the leaders of commercial, professional and financial affairs. The companies have thereby become the largest of our financial institutions, so that at the beginning of this year no less than 10,270,857 people were insured, carrying regular life insurance (including industrial) to the amount of \$6,526,406,000. During the year 1897 the number of policies was 3,442,213 and the amount insured equaled \$1,380,644,000. The total assets were \$1,376,288,000, with a surplus of \$194,000,000. while during the year \$142,842,000 had been paid policyholders and their dependents. The great business in which we are engaged has therefore reached proportions beyond the comprehension of any of us.

When we deduct the outstanding industrial insurance we find that the amount issued in 1897 was \$923,840,000. Out of this sum there was \$102,943,000 "not taken." It will thus be noted that over 11 per cent. of the total issue was never placed.

We may all accept the pertinent query: "Why was this large amount allowed to pass into oblivion?"

In answering this important question, allow me a few words of comment. There is no kind of business maintained at 100 per cent. steadily throughout any year. There are inevitable losses and miscalculations. We are open to the same neutral law of loss. When, however, we find that every eleventh man who had insurance issued to him did not accept it, we may well pause and consider why it should have occurred. I think we may accept 2 per cent. of it as properly belonging to the inevitable accidents of life, which no one could forestall. We have then 9 per cent. to provide for. Against that amount it may be said that a small part of it is fairly attributable to the idea of speculation in the agent's mind, whereby he hopes to deliver more than the application called for. Allow 2 per cent. more for this and we still have 7 per cent. as representing what should never have been issued.

Why was this large sum of over \$70,000,000 issued at a considerable loss to the companies in 1897?

I venture to say that it was largely the result of a lack of education on the part of the

solicitor, coupled sometimes with over-pressure for business on the part of the companies. This is one of the evils that is upon us. We must eradicate it. We should not hesitate to demand of each of our solicitors such action as will cause the issue of only legitimate business. We should educate them to "sow their seeds beside all waters," but when they reap to take only the wheat and leave the tares. They are to remember that the men they seek are to be convinced fully, not partially, and that the keenest and most definite statements of actual facts are the only ones to put forth.

All subterfuges of statements are boomerangs. All partial truths come home most unexpectedly to wound him who utters them. As a prominent Hebrew once said to me: "Honesty is not only the best policy, but it pays the best."

Our army of over 50,000 life insurance solicitors in the field, among the American people, demand a drill in the line of efficiency beyond anything yet given them.

As in military matters each soldier must know each evolution and be readily obedient, so each solicitor must evermore be upon the alert to meet the constant changes required of him to be a real conqueror.

We must stand for the ideal in this matter. We must devise methods by which the most ordinary agency force becomes superior to its former achievements.

EDITOR OVIATT.

What are we here for? Why do we come here in the heated season and spend time talking about the agency work of life insurance when we have no power to enact legislation. Why not stay at home and let every one get along the best he can? True, there is need that the soliciting of life insurance be placed upon a higher plane, but what can we do beyond seeing that our own work conforms to what is right.

Is co-operation of value? Does it help to get together and talk over common interests? There will be much that is not as it should be after we go home. Our talking and fraternizing will not put a stop to all that we believe to be wrong. We have been at this association work for a series of years, yet the business of soliciting life insurance is still far from ideal. Has it been of any value for the agents to form organizations? Would the business be in as good condition to-day if there had been no associations? There are those who, if we may judge from what they

say and intimate, believe that the association movement has been of no practical value. These men do not declare that co-operation is not of value, but they say that a wrong method has been pursued; that there has been talk instead of action.

If the association movement has not been of benefit to the work of selling life insurance, then it is in vain that these meetings have been held. It has been in vain that men have given time and labor to the cause of organization among agents, and it would have been better if each had tried to do his best all by himself. If the association movement has done nothing for the cause of life insurance, then the action of the priest and the Levite who turned deaf ears to the cry of the wounded man on the road to Jericho is the action which should govern in our relations to our fellows who are in the same line of work as ourselves. If men are not to be influenced for good by association, then the hundreds and thousands of various associations throughout the country are a waste of nervous force. The intentions may have been right, but if the members cannot reason with their fellows to do that which is right, because it is right and not because the law forbids the doing of wrong, then the members are pursuing an object which cannot be secured any more than can water from the mirage of the desert.

The best evidence that the life underwriters' movement has been of value is to be found in what has been accomplished. When the association movement started, there was no unity in life insurance solicitation. It was every man for himself. Regular guerrilla warfare. Anything to beat the other fellow. The end justified the means, for if you did not do the other fellow he would do you. Kind words from one agent for another agent were as uncommon as white blackbirds, or Mother Carey's chickens on the plains of Minnesota. This feeling was reflected in the public opinion of life insurance agents. Soliciting life insurance was considered a refuge for broken-down men. Very often, when a life agent's name would be mentioned, the question would be asked: "What did he fail at?"

This has changed, and the change is in a large measure due to life underwriters' associations. Through them the public has come to see the proper position of the agent, and the agent has in a large measure forsaken his guerrilla methods. The craft is not perfect. No movement having for its object the improvement of any phase of society has ever been able to change all the lives it has

touched, nor to eliminate all the evil it has found. Some men persistently refuse to change for the better. Is it to be expected that life insurance agents will be an exception?

The first foundation stone was the cultivation of the idea of community of interests and the possibility of advancing that community of interests by association. Another necessary foundation stone was the recognition and acceptance of the proposition that the other agent might be as fair and decent as one's self. This was a great concession, and it does not obtain with some agents even yet.

Granting all this, what are we here for? Will not the natural development of life insurance bring about better methods and send to the rear the things which all fair-minded men deprecate? The reply to this is that co-operation is necessary for the accomplishment of needed improvements. This is true of all forms of ethics. Man, while knowing what is right, seems less able to carry his ideas into effect by himself than when working in co-operation with other men who hold the same general opinions that he does. By himself he is simply a scout, seeing the strategic positions but without the necessary power to seize and hold them. Half a dozen men holding the same views are, when working independently, still pioneers and scouts. When they work together they become a skirmish line which is able to report a strategic position to the main body, which can order it held by a sufficient force. This is organization, and it is impossible to carry on a successful war without organization. The more perfect the organization, when combined with individual knowledge, the more effective will be the body of troops. There is not one rule for the soldier of war, and another for the soldier of business. They are governed by the same general laws. Truth must have those to serve her who are willing to plan, labor and sacrifice. If one man is possessed of a great truth he is leaven to uplift other men. If a number of men are possessed of the same truth and are willing to co-operate, the leaven becomes a force that directly appeals to men as being right, and thus shapes public opinion.

The rights of the beneficiary under an ordinary life insurance policy cannot be impaired by any statement of the insured subsequent to the execution of the policy.—*Masons' Union Life Ins. Ass'n v. Brockman*, 50 N. E. 493.

Additional Life and Casualty Notes.

THE Frankfort-American has begun writing.

THE Berkshire Health & Accident has failed.

THE Royal Arcanum's assessments have increased from 7 in 1878 to 17 in 1897.

THE Northwestern Mutual recently made a big loan on first-class Chicago realty at 4 per cent.

THE Mutual Life now has only four of the "old guard" left, of the class of '43 who started the G. O. M. on its career of success.

THE Empire Life refused to pay the \$1,500 policy on the life of Anne G. Silverman, who died soon after insuring. This was three years ago when the Empire was young and of small territory. The beneficiary got a verdict. The "company" has succeeded in having it set aside.

Insurance Press advises soliciting agents not to sit in the light, because the pupils of the eyes contract to dots and the look is furtive and suspicious. It might be well, too, to not smile too broadly, lest the exposure of the teeth suggest a shark or a lamb-devouring wolf. Crossing the legs is a bad habit, also. It makes one foot too prominent, and may suggest something to the "prospect" which may end in an unpleasant, undignified and speedy termination of the interview via the front steps.

STUT is brought by Abel H. Tilton, of Providence, R. I., against the United States Casualty Company for \$11,000, amount claimed as life insurance on his son, Elmer H. Tilton, who was insured for \$10,000, but who had never received any policy. He had, however, received binders which held good for ten days each. Four binders were issued, duly signed by the Providence agent of the company, their dates being February 12, 22, March 4th and 14th. The application had been duly filed and the first year's premium paid. The assured sailed for Liverpool with a car-load of horses and while there, on March 2d, he received an injury to his knee which ultimately caused his death. The company decline to recognize the claim, stating they mailed a notice to the deceased March 2d that no policy would be issued to him and to have returned his premium at the same time. The letter in question was mailed March 2, and registered on that day, the identical day that Tilton received his injury.—*Rough Notes*.

TOBACCONIST VAUGHN of Richmond, life insured for over \$200,000, dropped dead.

THE big Northwestern Mutual Life of Milwaukee now pays the stamp tax and charges fit to the general expense fund.

ONE of the best things to be said in favor of the Union Casualty & Surety is that it has incurred the displeasure of the Kansas Krank for doing that which every liability company which pays losses in full must do.

AN extraordinary case is that of a member of the Covenant Mutual of Galesburg, who secured a restraining order prohibiting the cancellation of his certificate for refusal to pay the advanced assessments. Pending the trial the insured member died. The association now refuses to pay on the ground that all the assessments had not been paid. The beneficiary has sued the association.

A PHILADELPHIA exchange says the following "warning" is being circulated in that city, by means of postal cards:

"Beware! If you hold an accident policy in the Travelers, of Hartford, LOOK OUT when your next premium comes due. Heretofore, they gave you a *renewal receipt*; but now they will insist on giving you a *new policy*. Their object is to call in the old contracts, which were bad enough, and give you one *much worse*. DON'T BE FOOLED. Compare carefully, the two contracts, before paying your premium."

It is an anonymous thing, and is therefore to be condemned.

VAN TUYL has chosen for comparison the years 1876 and 1896, the former representing the period of greatest depression in life insurance and the latter certainly fairly representing its prosperity. The conditions have very materially changed also and the kinds of policies written in 1896 and 1876 were very different. The business was mainly represented in 1876 by ordinary life and long-term endowment policies. In 1896 it was largely represented by toutines and short endowments. Dividends were paid annually in 1876 and now they are mainly deferred. We do not object at all to Mr. Van Tuyl's design in the preparation of his paper, but to the use in a paper of that kind of statistics which bear no comparison to each other. It is easy enough to find fault with American life insurance, but we think it would be much more difficult to tell just how to change it. It certainly cannot be compared with the same business in Australia or England.—*Insurance Journal*.

SOME years ago an Englishman insured his life for a heavy sum, and then bought a ramshackle steam launch, in which he went to sea. The boiler burst, the launch foundered, and nothing more was seen of the man. His friends, alleging that he had gone to the bottom with the launch, made a claim for the life insurance money. The company, smelling a rat, disputed the claim. The position of the wreck was ascertained, and after further trouble it was hoisted to the surface and towed ashore. The safety-valve was found to be screwed down, and the boiler so rotten that it was bound to explode when steam reached a certain pressure. The curious thing was that no trace of the man was found, not so much as a shirt-button. Now it was pretty clear that he must have banked up the fires and screwed down the safety-valve, but what had become of him after that? He could not have rushed on deck and jumped into the sea and swum ashore, for he could not swim. Nor could he have rowed ashore, or the boat would have been in evidence against him. The mystery was made clear as daylight by a couple of schoolboys, who stated that they had seen the launch snugly hidden away in a creek along the shore, had seen the man stoke the fire, start the engines, and then step on to some rocks, walk calmly ashore, and watch the little craft take its way seawards, the tiller having been previously lashed. This cool individual then walked to the next town, shaved, purchased a new suit of clothes, and went to London in a train which was crammed with racing men, and where, of course, he passed quite unnoticed. From London he went to the continent, and thence made his way to the States, where he awaited the arrival of his friends with their ill-gotten booty.

Acknowledgements.

C. A. McGargar, H. Durbrow, Frank E. Hodgkin, Walter Speyer and others have placed us under obligations for spare copies of our June number.

Standard New England Insurance Directory, Standard Pub. Co., Boston; one dollar.

"State Fire Insurance," by F. Allen, general manager New Zealand branch of the Commercial Union. The populists of New Zealand are trying to persuade the Colony to embark in fire insurance and go to pieces on the first conflagration rock. The scheme is only dirty politics, to give office seekers places and good salaries. Mr. Allen's paper abounds in good points.

August Fires.**Washington.**

3. Dayton, fr grain warehouse and wheat:
Commercial Union . . . \$3,000
Liv. & Lon. & Globe . . . 1,000
London & Lancashire . . . 500
Alliance 2,100
Palatine 768
5. Everett, fr dwg and conts:
Phoenix, Hartford . . . \$1,100
17. Ellensburg, hhld furni & dwg:
Aachen & Munich . . . \$550
British America . . . 500
London & Lancashire . . . 500
29. Hollingsworth, saloon furni, etc:
Svea \$500
Pennsylvania 500
30. Kent, saw mill & machinery:
Palatine \$2,000
2. Chehalis, dwg and contents:
Fireman's Fund \$558
11. Maywood, lumber & sheds:
Providence, Wash. . . \$1,408
Phoenix, London . . . 1,407
7. North Yakima, dwg:
Home, N. Y. \$1,000
- . Vancouver, br bldg & conts:
Liv. & Lon. & Globe . . \$8,000
29. (July) Pasco, fr bldg:
Home Mutual \$750
29. Yakima co, dairy:
Magdeburg \$1,300
15. Turnwater, dwg:
Etna \$1,000
30. Tacoma, dry kiln:
Western \$650
30. Tacoma, shingle mill:
Palatine \$572
13. Snohomish, hotel furni and fixtures:
Providence-Washington \$554
Liv. & Lon. & Globe . . . 554
5. Spokane, fr dwg:
Scottish Union \$500
13. Spokane, fr dwg:
German-American . . . \$500
12. Spokane, dwg:
Home \$600
5. Seattle, fr shingle mill, etc:
Imperial \$1,000
Lion 1,000
- Losses under \$500 . . . \$11,379
Total Washington . . \$45,750

Oregon.

13. (July) Antelope, fr dwgs:
German-American . . . \$800

19. Baker City, bldgs and hardware stock:
Fireman's Fund . . . \$1,000
Norwich Union . . . 1,000
Etna 1,000
Phoenix, London . . . 1,000
Alliance 1,000
Liv. & Lon. & Globe . . 1,810
3. Baker City fr foundry:
Royal \$ 967
London & Lancashire . . 1,391
Etna 2,500
- . (July) Baker City, stock patterns:
Hartford Fire \$500
15. Freewater, fr bldg & mdse:
Ins. Co. North America . \$800
20. Medford, fr hotel and furni:
North British \$500
Liv. & Lon. & Globe . . . 976
18. Gaston, fr dwg:
American, Pa. \$500
15. Milton, fr bldg & gen'l mdse:
German-American . . . \$1,100
16. La Fayette, flour mill:
German-American . . . \$2,970
London & Lancashire . . 1,980
20. Gervais, hops:
German-American . . . \$600
24. (July) Jackson co., dwg and contents:
Pennsylvania \$600
15. The Dalles, gen'l fire:
Alliance \$3,409
Palatine 940
Fireman's Fund 1,490
Pennsylvania 2,000
Liv. & Lon. & Globe . . 1,880
Magdeburg 2,433
Etna 2,503
Northern 3,593
German-American . . . 5,850
Scottish Union 2,500
American, Pa. 5,360
Svea 5,160
Sun 1,000
Phoenix, Hartford . . . 1,000
National 1,879
Springfield 3,000
Ins. Co. North America 2,000
New Zealand 1,128
Norwich Union 1,250
Commercial Union . . . 2,000
- Total \$50,204

15. Portland, fr dwg:
New Zealand \$501

16. Portland, fr dwg:
Union, London \$1,020

28. Roseburg, contents dwg:
New York Underwriters \$400

24. Salem, fr dwg:
Imperial \$700
10. Pendleton, wheat:
London & Lancashire . . \$527
16. La Grande, fr dwg:
Ins. Co. North America \$1,043
27. La Grande, fr store bldg and stock paints:
Imperial \$ 750
Liv. & Lon. & Globe . . 1,000
- Losses under \$500 . . . \$16,503
Total Oregon \$95,642

Montana.

- . Great Falls, fr grocery:
Queen \$1,000
- Losses under \$500 . . . \$2,090
Total Montana \$3,090

Nevada.

10. Carson, fr dwg:
Lancashire \$753
- Losses under \$500 . . . \$1,006
Total Nevada \$1,759

Arizona.

2. Flagstaff, planing mill, lumber, etc:
Atlas \$ 956
Phoenix, Hartford . . . 1,972
Imperial 3,144
Mercantile 768
Orient 986
Ins. Co. North America 680
London & Lancashire . . 1,232
Springfield 625
National 1,000
Sun 1,530
Scottish Union 679
Etna 1,393
Magdeburg 986
Transatlantic 986
Palatine 3,603
Phoenix, London 2,047
Lion 3,144
American, Pa. 1,666
Svea 1,666
Providence, Wash. . . . 739
- Total \$29,832

7. Chloride, quartz mill:
British America \$875
North British 875
25. Phoenix, dwg and conts:
Home, N. Y. 500
- Losses under \$500 . . . \$4,652
Total Arizona \$36,734

Utah.

12. Near Ogden, dwg & conts:
North German \$531
National 603

Logan, fr dwg:	
Connecticut	600
East Bountiful, fr dwg and barn:	
Hartford	500
Losses under \$500	\$735
Total Utah	\$2,969

British Columbia.

26. New Westminster, fr dwg and contents:	
Ins. Co. North America .	\$600
Losses under \$500	\$78
Total Brit. Columbia .	\$678

New Mexico.

17. Dolores, gen'l mdse:	
Royal	\$824
Losses under \$500	\$177
Total New Mexico . . .	\$1,001

Idaho.

Wallace, saw mill, etc:	
National	\$500
Springfield	500
8. Kootensi co., fr dwg and saw mill:	
Svea	\$ 800
Palatine	1,000
Losses under \$500	\$743
Total Idaho	\$3,543

Colorado.

Losses under \$500	\$2,085
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Wyoming.

Losses under \$500	\$264
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Old Mexico.

Losses under \$500	\$41
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Total Outside Territory \$193,556

California.

29. (July) Beekwith, gen'l mdse and bldg:	
Palatine	\$1,857
Helvetia	1,000
Svea	1,000
1. Beekwith, fr hotel:	
Svea	\$800
17. Chico, fr dwg, stable & contents:	
Hartford	\$1,200
Atlas	500
Liv. & Lon. & Globe . .	1,540
8. Belmont, fr dwg and contents:	
Hartford	\$7,857
Ins. Co. North America .	5,000
Home Mutual	642
5. Alameda co., fr store bldg:	
Alliance	\$ 500
Commercial	2,500

13. Fresno, gen'l fire:	
Hartford	\$ 4,334
Mercantile	6,000
London & Lancashire .	13,101
Phoenix, Hartford . . .	1,025
Manchester	7,456
Caledonian	5,150
Thuringia	4,175
American, N. J.	3,000
St. Paul	1,000
American Central . . .	1,000
Hamburg-Bremen . . .	2,000
Williamsburg City . .	2,000
Hanover	5,000
Milwaukee Mechanics .	2,500
Helvetia	2,000
Traders	1,500
Aachen & Munich . . .	5,567
Home Mutual	4,000
Queen	728
Norwich Union	4,200
American, Pa.	1,400
German-American . . .	3,000
Liv. & Lon. & Globe . .	21,906
Pennsylvania	3,000
Atlas	2,456
Sun	4,500
Madgeburg	1,650
Phoenix, London	6,700
Providence Washington	1,500
Ins. Co. North America	750
Palatine	8,100
Scottish Union	3,500
National	1,000
Svea	4,550
Agricultural	2,950
Transatlantic	1,000
Orient	3,500
Royal	1,800
Total	\$148,598

17. Edgewood, fr bldg and mdse:	
London & Lancashire .	\$1,500
Hartford	3,000
16. Eureka, fr dwg:	
Hartford	\$600
28. (July) El Dorado, fr dwg and barn:	
Hartford	\$545
12. El Dorado co., hay:	
Merchants	\$500
10. Fresno, dwg:	
Svea	\$568
Ins. Co. North America .	750
19. Fresno, stock wines:	
Palatine	\$500
25. Fresno, fr dwg and contents:	
New York Underwriters	\$750
Thuringia	750
18. Glendora, fr dwg:	
London & Lancashire .	\$500
Orient	500

13. Fresno, conts packing house:	
American, N. J.	\$3,000
15. Fresno co., fr farm dwg:	
Svea	\$1,715
8. Haywards, fr dwg and contents:	
Phoenix, Hartford . . .	\$820
New Zealand	500
Home Mutual	600
14. Glen Ellen, fr dwg and contents:	
London & Lancashire . .	\$515
8. Jamestown, fr saloon bldg & contents:	
Hartford	\$1,371
Union, Pa.	600
Palatine	1,828
Pennsylvania	900
22. Iron Mountain, bldg, dwg and restaurant:	
Palatine	\$62
Grass Valley, fr quartz mill:	
Connecticut	\$675
22. Grass Valley, fr dwg & contents:	
Lancashire	\$1,200
Home, N. Y.	648
12. Contra Costa co., hay & barn:	
Pennsylvania	\$750
18. Jesus Maria, dwg, barn and contents:	
Fireman's Fund	\$2,250
29. Los Angeles, soap factory:	
Magdeburg	\$2,000
Phoenix, London	1,000
British America	1,500
North-German	1,000
Sun	1,500
London Assurance . . .	1,000
Northern Assurance . .	2,667
Hamburg-Bremen	2,000
Hanover	1,000
Milwaukee Mechanics . .	1,000
Baloise	1,000
Aachen & Munich	1,500
American, Pa.	1,500
Svea	500
Fireman's Fund	750
German-American	2,000
Union, London	1,000
Imperial	4,000
Lion	3,566
Royal	1,500
Scottish Union	1,000
National	1,500
Springfield	1,500
Connecticut	2,000
Orient	1,500
Ins. Co. North America .	1,020
Thuringia	1,500
American Central	1,000
Total	\$42,097
7. Red Bluff, fr dwg:	
Svea	\$700
Etna	580

2. Los Angeles, fr dwg & con'ts: Royal Exchange \$740	11. San Jose, fr dwg: Liv. & Lon. & Globe . . . \$500	13. Tesla, fr dwg and contents: London & Lancashire . . . \$900
18. Los Angeles, fr dwg & con'ts: Phoenix, Hartford . . . \$800	8. Sausalito, fr dwg: Commercial Union . . . \$650	2. Tehama co., fr farm dwg: Svea \$846
9. Los Angeles, hhd furni: St. Paul \$498	6. Sausalito, fr store bldgs and hall: Svea 1,823 Franklin 883 Williamsburg City . . . 883	23. Tulare, fr church and dwg: Queen \$1,000 Fireman's Fund 750
6. Modesto, br and fr bldgs and livery stable: St. Paul \$1,000 Lancashire 1,000 Manchester 500 Caledonian 500	. . Sacramento, fr wharf and warehouse: Connecticut \$1,000	15. Ventura, mdse & hall bldg: Fireman's Fund \$ 825 Aachen & Munich 875 Hartford 3,800 Transatlantic 630
29. Lodi, br bldg: Milwaukee Mechanics . \$2,000	30. Sacramento, br bldg & con'ts: Home, N. Y. \$2,999	29. Yuba co., fr dwg: Svea \$1,250
13. Oak Park, fr bldgs: Fireman's Fund 1,475	19. Stockton, bath bldgs & con'ts: Manchester \$1,725 Caledonian 1,725 Union, London 1,000 Sun 1,000 Law Union & Crown . . . 725	30. (July) Wright's Station, fr schoolhouse: Hanover \$532 . . Woodland, grain in ware- house: Royal Exchange \$1,000
7. Oakland, fr dwg and con'ts: Liv. & Lon. & Globe . . . \$756	. . Stockton, mdse: London & Lancashire . . . \$500	Losses under \$500 . . . \$71,735
5. Oakland, con'ts fr store: North British \$1,400	4. Stockton, hhd furni: Union, London \$400	Total California, S. F. ex. \$505,177
5. Merced, fr dwg: North British \$600	3. Stockton, fr dwg: National \$769	
9. Oroville, dwg and con'ts: Transatlantic \$600	. . Stockton, dwg: Queen \$750	San Francisco.
31. (July) Lincoln, bldg and gen'l mdse: National \$ 633 Pennsylvania 1,200 Lancashire 950 Union, Pa 800	11. Stockton, fr dwg: Ins. Co. North America \$1,000 . . Stockton, dwg contents: Home Mutual \$1,100	27. Frame dwelling: Scottish Union \$950
16. Nicolaus, dwg and con'ts: Pennsylvania \$520	11. San Jose, dwg: Magdeburg \$598	7. Frame building: Imperial \$528
22. Ramona, saloon: Ætna \$625	12. Wheatland, gen'l fire: Home, N. Y. \$ 6,159 Hamburg-Bremen 1,000 Atlas 4,427 Scottish Union 3,650 Orient 2,500 Home Mutual 6,300 Fireman's Fund 8,950 Queen 2,900 Royal Exchange 1,000 Ins. Co. North America 10,350 Pennsylvania 4,125 London & Lancashire . . . 4,300 Connecticut 5,031 North British 2,000 Commercial Union 2,000 Liv. & Lon. & Globe . . . 4,080 Royal 2,200 Ætna 2,675 New York Underwrit. . . 1,600 Phoenix, Hartford 5,179 Thuringia 3,500 Norwich Union 1,782 German Alliance 750 Hartford Fire 1,274 National, Hartford 1,200 Lancashire 3,500	27. Contents of dwelling and stable: Northern Assurance . . . \$642
. . Santa Monica, fr bldg: Home Mutual \$1,024	Total \$92,427	19. Building: Helvetia \$620
3. Sacramento, fr dwgs & con'ts: Fireman's Fund \$ 600 London & Lancashire . . . 1,464		28. Frame buildings and stock: Lion \$ 800 Imperial 1,000 Union, London 250
21. San Diego co., fr barn: Ætna \$2,000		15. Frame store building and merchandise: Hanover \$700 Thuringia 723
17. San Bernardino, creamery: Greenwich \$1,728 American Central 1,032 Royal 761 North British 691		. . Frame stable: Connecticut \$500
18. San Bernardino, fr and adobe dwg: Liv. & Lon. & Globe . . . \$577		Losses under \$500 . . . \$11,092
6. San Bonita co., dwg & con'ts: London & Lancashire . . . \$628		Total San Francisco \$17,805
9. Susanville, gen'l fire: Palatine \$5,864 Providence Wash. 1,675 Fireman's Fund 632 Manchester 1,466 Caledonian 1,667 American, N. J. 628 Phoenix, London 4,187 Ins. Co. North America 1,315		Total California . . . \$523,982 Total Pacific Coast . . \$717,538 Total to date, 1898 . . \$3,790,620 Total to date, 1897 . . \$2,776,876

Losses by Companies.

Aachen & Munich \$ 9,912
Ætna 17,241
Agricultural 3,955
Alliance 8,021
American, Boston 170
American, N. J. 4,755
American, N. Y.

American, Pa.	11,339	Lancashire	8,560	Phoenix, Hartford	13,075
American Central	5,100	Law Union & Crown	975	Phoenix, London	18,532
Atlas	10,029	Lion	9,693	Providence-Washington	6,358
Baloise	1,265	Liverpool & Lon. & Globe	47,223	Prussian National	2,719
British America	3,070	London & Lancashire	32,206	Queen	7,261
Caledonian	10,075	London	1,205	Royal Exchange	4,300
Commercial Union	10,743	Magdeburg	9,786	Royal	7,914
Connecticut	11,511	Manchester	13,414	Scottish Union & Nation'l	15,553
English-Amer. Underw.	180	Mercantile	170	Springfield	7,660
Fire Association		Merchants	7,596	St. Paul	2,746
Fireman's Fund	22,896	Milwaukee-Mechanics	6,531	Sun, London	11,066
Franklin	883	National, Hartford	11,991	Svea	25,214
German Alliance	1,058	New Zealand	2,783	Traders	1,500
German-American	20,552	New York Underwriters	2,867	Transatlantic	3,670
Greenwich	2,140	Niagara	919	Thuringia	14,174
Hamburg-Bremen	6,000	Northern	7,130	Union, London	4,161
Hanover	8,620	North German	2,348	Union, Pa.	1,414
Hartford	24,981	North British & Mercant.	6,917	United States	633
Helvetia	3,628	Norwich Union	9,532	Williamsburg City	2,883
Home, N. Y.		Orient	9,976	Western	930
Home Mutual	16,997	Palatine	29,099	Westchester	4,673
Imperial	12,200	Pennsylvania	16,884		
Ins. Co. North America	27,448	Philadelphia Underwrit.		Total	747,558

Form of Klondike Policy.

\$500—On the one-story snow and ice roof dwelling house and additions thereto, situate standing detached about 500 miles on the northwesterly side of the Chilkoot Pass trail, leading from Skaguay to the Klondike, Northwest Territory.

\$250—On twenty Eskimo dogs; loss not to exceed \$12 on any one dog, in case the mercury falls to 120 degrees below zero.

\$251—On sleds, harness, whips, robes, sleeping bags, furs, clothing, picks, shovels, pans, rockers and all mining supplies.

\$500—On stock of provisions and supplies.

All while contained in the above described dwelling and additions.

Other insurance permitted without notice until required.

Aurora Borealis clause attached.

Privileged to use one kerosene oil stove—the kerosene to be cut for use by daylight only.

Privileged to light the within described dwellings with electricity supplied by the Arctic Circle Electric and Trolley Company.

Attached to and forming a part until frozen off of policy No 3,250,000 of the North Pole Insurance Company. FREEZE & THAWUM. Agents.—*Chicago Inter-Ocean*.

With Our Exchanges.

The *Western Insurance Review* has the Fidelity Mutual of Philadelphia in a corner and is punching it hard. The Fidelity shows signs of punishment and is blowing hard.

When we hear a home-office man, as we occasionally do, making light of the work of journalism in his calling, we are reminded of a bricklayer or a carpenter who can see no utility in the prints from which his architect has borrowed his plans.—*Insurance Monitor*.

Indemnity is clever and useful, but it isn't a bit pretty.

Funny, isn't it, that a selection from an exchange will be repeated by fifty ex's copying at second hand?

Have Been for Years.—A New York exchange, referring to annexation, ventures the opinion that "Hawaiian branch offices will doubtless soon be in operation."

The *Post Magazine* of London says: Norwich has rapidly followed Sunderland in furnishing another sharp object lesson on the evils resulting from entrusting the fire protection of an important city to the vagaries of a so-called "police" fire brigade.

The governor of Texas in his trip North, found that the conduct of his insurance department hurt the state's reputation among the great financiers, says an exchange. It is well to remember that the stockholders and directors of the big insurance companies are also investors.

Insurance Report quotes approvingly the great Richelieu's maxim, "Conciliate if you can, if not, crush." It is applied to dishonest insurance commissioners, who in the long run can be crushed more cheaply than conciliated. By the way, has a corporation any more right than an individual to conciliate a blackmailer?

Insurance Press: Later advice in relation to the acetylene explosion in the store of Mr. Jeffers, at Ouray, Colorado, which was recently commented upon in these columns, go to show that the machine to which the accident was due is known as the "Acetogen," the same kind of a device as that which exploded at Columbus Junction, Ia.

National Church Mutual Fire Insurance Association.

DOING BUSINESS IN WILLFUL VIOLATION
OF THE LAW—IT CAN NOT BE SUED IN
OUR COURTS.

There was recently organized in a town in Iowa, a state where the laws give great latitude to any sort of insurance scheme, an association which professes to insure churches and ministers' dwellings and household goods. So far as Iowa is concerned the scheme is legitimate, but in other states where the laws are designed to protect the people from irresponsible insurance companies the National Church Mutual Fire Insurance Association of Lisbon is an illegitimate and a prohibited enterprise. The laws of California and other Pacific Western states do not allow this Iowa concern to do business within their limits, and it therefore has no standing in the courts of such states. Claimants must bring suit in Iowa, the home state, where alone the National Church Mutual has any legal existence.

As this new Iowa company confines its business to churches and parsonages and their contents, and its manager is endorsed as "a christian gentleman of the highest honor and integrity," it is to be expected that it will respect the laws of the various states. But on the contrary it deliberately violates those laws. The insurance department of Michigan has denounced the association as a law-breaker, and its managers are referred to as something worse. Wherever the association does not comply with the laws, its solicitors are likewise law-breakers, and are liable to fine and imprisonment. The solicitors are doubtless ignorant of this fact, but the managers know that they violate the laws and invite clergymen and trustees to do likewise.

This is a bad beginning for a Christian gentleman's insurance company. He is setting a very bad example, and we believe that his scheme will end, as it has begun, by disgracing the cause of religion whose cloak it wears. We are confident that it will fail, and will leave many un-

paid claims. Hundreds of similar schemes have failed.

Increasing Business of the Pacific Mutual.

The business of the Pacific Mutual Life Insurance Company of California is increasing rapidly in all its departments—life, accident and industrial. In the first six months of the present year the new life business written shows an increase of 25 per cent. The new business written last month was 80 per cent. larger than the amount written in the same month last year. The accident business is likewise gaining, and the admirable new combination health and accident policy of the company will of course immediately produce a lot of new desirable business. The industrial business, too, is advancing fast, and already has to the credit of its department a large percentage of permanent business.

Failure of the Connecticut Indemnity.

This assessment life insurance association, capitalized and impaired, has probably come to an end. The impairment was not made good. An extra assessment was also levied on the members, but the amount collected and paid to the insurance commissioner in trust will be repaid. A petition for a receiver has been filed. The association was organized in 1883, and had therefore about "exhausted the limit." The bad condition of the association has been known some time.

CUBA has a native fire insurance company, forty-four years old, with about \$125,000 assets. Nine British, three German (and no American) offices have been doing about all the very little business. British offices do about all the business in the Philippines. American life offices, however, have been doing business at Manila and in the West Indies.

IT IS ONLY the best class of people who insure against death and against disability. Men who are capable of asking alms or allowing their families to ask alms, never insure against death or accident.

New Westminster Conflagration.

A half mile square of New Westminster, B. C., is in ashes. The fire started at 11:15 on the night of September 10, among straw in a shed on the wharf. There is some probability that the origin was incendiary. Columbia street with its score of handsome business houses was wiped out. The fire spread from the wharf rapidly, and took in all the buildings on Columbia and Front streets from the Telegraph hotel to the Canadian Pacific station (six blocks), and from the water front to Royal avenue (seven blocks), including some of the dwelling portion. Three steamers at the wharf caught fire and floated down stream, setting fire to all the canneries and sheds on the water front. The loss will probably exceed \$2,000,000. The insurances in the burned district exceed \$1,000,000. The Vancouver fire department came over and did good service, checking the flames in several places. Every store in the town was burned. New Westminster is on the Fraser river, sixteen miles from its mouth. It has 7,000 population, and is the headquarters of the Fraser river salmon-canneries.

Following is a list of insurances in the burned district, as telegraphed to the *Coast Review*. The list was sent out in the form of an extra, copies of which were sent to the city editors. One morning paper accepted it without thanks, and incorporated it in a "special dispatch" from New Westminster. It is hardly necessary for us to name that San Francisco daily:

Ætna	\$ 39,000
Alliance	47,000
Atlas	36,000
British America	9,000
Connecticut	50,000
Commercial Union	107,000
Guardian	6,000
Hartford	5,000
Insurance Company of North America	24,000
Imperial	1,800
London Canadian	10,000
London Assurance	147,000
Liverpool & London & Globe	17,000
London & Lancashire	80,000
Lancashire	18,000
Manchester	50,000
National, Ireland	21,000
North British	65,000
Northern	53,000
Norwich Union	44,000
Phoenix, Hartford	20,000
Phoenix, London	75,000

Queen	7,000
Royal	44,000
Scottish Union	25,000
Sun Insurance Office	18,000
Union, London	29,000
Western	20,000
	<hr/>
	\$1,067,800

Jerome Conflagration.

The town of Jerome, A. T., near Prescott, was destroyed by fire on the morning of Sept. 10. About 150 dwellings and twenty-five stores and saloons were burned. The only building in the burned section that escaped was the Methodist church. Open intervening ground saved the big plant of the United Verde Co. The fire started from a gasoline stove in a shanty, and spread so fast that in two hours not a house in an area of five squares was left standing. The property loss is several hundred thousand. The insurance loss is comparatively light, rates being very high. The reservoir was undergoing repairs at the time. A number of lives were lost.

British Stamp Duties.

In Great Britain and Ireland there are regular stamp taxes on insurance transactions. Under the new workmen's compensation act a 12-cent stamp is required on liability policies. According to Buckley's Insurance Year Book other stamp duties are as follows: accident, plate glass and miscellaneous policies, 2 cents; newspaper insurance, 5 per cent of amount received as premiums; fire policies, 2 cents; life policies for \$50 and under, 2 cents; for not exceeding \$125, 6 cents; not exceeding \$500, 24 cents, and so on proportionately; marine policies are taxed 2 cents on small policies and 6 cents for every 500 and fractional part, and 12 cents for voyages exceeding 6 months and not exceeding 12 months; and 12 cents for bill of lading or charter party.

Deadly Gasoline.

Jerome, A. T., is in ashes because of a gasoline stove. Forty gallons of gasoline in a grocery-cellar in Philadelphia exploded; four lives were lost and many persons were injured; and three stores were wrecked.

—Michigan Life Report: Milo D. Campbell, insurance commissioner.

—Manager Geo. F. Grant is visiting his agents in the Pacific Northwest.

New Combination Accident and Health Policy.

THE PACIFIC MUTUAL LIFE INSURANCE COMPANY OF CALIFORNIA ISSUES IT—AGENTS WANTED FOR THIS READY SELLER.

Here is something new, excellent and salable in accident insurance. It is just the thing for live agents everywhere. The briefest inspection of the Pacific Mutual's new combination accident and health policy will convince anybody that it will prove to be a ready seller.

Twenty-five dollars per week, not exceeding *one hundred and four* weeks, is not only guaranteed for total loss of business time as the result of accident, but various large sums, in one payment or in from ten to forty annual payments, are payable for loss of entire sight of both eyes, or in loss by dismemberment of both hands or both feet, or loss of one foot and one hand, together with loss of one eye; or \$2,500 for loss of right hand or either arm at or above elbow, or either leg at or above knee; or \$1,000 for dismemberment of left hand or either foot; or \$3,000 less amount paid, should injuries incapacitate for two years and appear such as will disable for life. These amounts will be doubled if the injuries are received while riding as a passenger in a public conveyance propelled by steam, electricity or cable, or in consequence of the burning of a hotel or theatre, the insured being a guest of the one or in the audience of the other. In the event of loss of sight of one eye, \$1,700 will be paid.

Should the insured contract any of the following ten contagious or infectious diseases, and be wholly disabled thereby, \$25 a week will be paid, to-wit: typhus, uncomplicated typhoid fever, scarlet fever, small-pox, varioloid, diphtheria, measles, Asiatic cholera, yellow fever or erysipelas.

The installment payments are as follows: In lieu of the \$5,000 in one payment,

- \$ 6,000 in 10 equal annual payments, or
- 6,500 in 15 equal annual payments, or
- 7,000 in 20 equal annual payments, or
- 8,500 in 30 equal annual payments, or
- 10,000 in 40 equal annual payments.

There is no need to gild this contract.

It is liberal and unique, and commends itself without reserve to every man who knows anything about accident insurance. This new combination health and accident policy of the Pacific Mutual is a leader. It protects the policy-holder in many ways, with desirable options, and in one contingency its liberality extends to the return of all premiums in addition to the principal sum guaranteed. The new contract is bound to sell well, and agents would do well to take hold of it immediately.

Testimonial to Arthur E. Magill.

The field men and office employees of the late joint general agency of the Home and Phoenix insurance companies joined in a presentation to General Agent Arthur E. Magill, on his retirement from the management of the companies' affairs in this field. We reprint elsewhere a copy of the address. The names of the employees, together with the years when they became connected with the general agency, are appended. Accompanying this neatly penned and nicely phrased address, expressing regret and cordial regard, was a handsome walking-stick, with a buck-horn handle and an engraved gold band.

The Norwich Union's New San Francisco Offices.

The Pacific department of the Norwich Union Fire Insurance Society now has handsome offices in the New Zealand building, at 314 California street, on the ground floor, flush with the sidewalk. This is the sunny side of the street, and the department's new quarters are bright and cheerful, as well as convenient and central.

Manager Lowden has fitted up the office tastefully and with all the modern improvements which expedite the handling of business. There are electric enunciators and lights, conveniently arranged desks and departments, and a big steel vault for the safe deposit of books, papers and other records. The manager's office in the rear "commands" the entire office, with its busy staff of clerks.

THE Lancashire is writing tornado policies in the West.

To Arthur E. Magill, General Agent,
 Home Insurance Company of New York,
 and Phoenix Insurance Company of Hartford.

Dear Captain: Whereas, we have learned of your retirement from the Management of the offices of the Home and Phoenix in their Pacific Department, and whereas our long standing personal and business connection with you extend to be terminated, we desire to give expression to the sincere regret with which that knowledge has come to us,
 For the past quarter century you have guided the destinies of the Home and Phoenix, on the Pacific Coast, and their great rank amongst other great insurance corporations gives fitting testimony of your fidelity to their interests while your even name and personality have ever been synonyms of ability, fair dealing and integrity.

You have withdrawn from the business of Fire Underwriting, the Profession has lost one of its ablest and strongest lights while we who have been so long and so pleasantly associated with you, have lost an esteemed friend and employer.
 A few slight tokens of our regard kindly accept these brief lines coupled with the cordial hope that your health, prosperity and happiness may be as enduring as the parchment upon which they are inscribed.

Yours faithfully,

Henry L. Coff.	1870	J. L. Coleman,	1890	J. J. Sheehan,	1892	E. L. Stetson,	1895	Edaph Q. Childs,	1895
Geo. W. Whiting,	1875	Mattie L. Travers,	1890	Richard B. Jones,	1895	G. C. McIlenny,	1895	C. M. Pierce,	1896
Chas. B. Case,	1875	Chas. Magill, Jr.,	1890	Margaret Stedfeldt,	1895	J. C. Culman,	1895	Henry W. Magill,	1897
Chas. F. Butler,	1882	G. A. Magels,	1891	Felix E. Spitzky,	1895	James J. Boylan,	1895	Bedford H. Stearns,	1897
Paul M. Hippert,	1882	May W. B. Brounall,	1891	W. W. Hutchinson,	1896	Chas. E. McGee,	1895	J. C. Halling,	1897
W. R. Streetland,	1884	Chas. F. Carey,	1892	James Maguire,	1896	E. B. Sprague,	1895	J. Warner,	1897

San Francisco, California, August 31st, 1898.

Chips.

—The Milwaukee Mechanics has entered Georgia.

—The Royal Arcanum is on the decline. New members dropped from 1,303 in April to 455 in July.

—The British America (H. T. Lamey, Coast manager) made a considerable gain in the surplus of its American branch from January to July.

—The United States branch of the Commercial Union (C. F. Mullins, manager for Coast) now has \$1,503,500 surplus, which is a gain since January 1.

—Nebraska and Iowa agents of the Mutual Life Insurance Company convened at Omaha on September 1. Prof. Stewart lectured on "The Decadence of Sentiment."

—Roman laws in the time of Nero limited the height of buildings to 70 feet. The ancient laws of Iceland provided for compensation for loss by fire.

—The Royal Arcanum now collects monthly a sum equal to one-twelfth of twenty-one assessments, besides annual council dues. Rates have been greatly increased, and the end is not yet.

—The American army numbers 268,500 men, all of whom, except the small regular army of 27,000, were organized, drilled, armed and otherwise equipped in three months. The total weight of food and forage distributed daily to the army has been 900 tons.

—The Highland Mutual Fire of Newburgh, N. Y., has failed. Likewise the Cheshire County Mutual of New Hampshire and the Citizens Mutual Fire of Somerville, N. J. Lots of losses unpaid, but there are fewer fools looking for cheap insurance in mutuals.

—COAST LIFE TOTALS, as reported in the *Spectator*, are as follows:

INSURANCE IN FORCE.

	Dec. 31, 1896.	Dec. 31, 1897.
Arizona	\$ 4,235,913	\$ 5,629,509
California	116,772,581	121,008,540
Colorado	48,815,968	59,378,748
Idaho	3,841,447	4,363,846
Montana	15,166,701	17,207,299
Nevada	2,539,066	2,689,143
New Mexico	7,975,398	9,119,242
Oregon	17,471,455	18,673,326
Utah	9,610,914	10,628,558
Washington	17,482,622	18,583,006
Wyoming	4,189,413	4,141,623

—Fresno's raisin-seeding factories are to be rebuilt.

—The late W. H. C. Fowler had \$5,000 life insurance on his life.

—Jerome, Red Bluff and Westminster fires this month will swell the Coast fire losses for September.

—The Springfield (Geo. D. Dornin, Coast manager), made gains in assets and net surplus in the half-year closing June 30.

—The United States branch of the Union Assurance of London (Catton, Bell & Co.) increased its surplus in the first half-year.

—MILLION MORE.—Coast losses this year are over a million greater than same time last year. California losses are \$571,312 more.

—The Connecticut (Benj. J. Smith, Coast manager) reports \$1,066,111 net surplus on June 30, which is a very creditable gain in six months. The assets also made a corresponding gain.

—The United States branch of the Northern Assurance (Geo. F. Grant, Coast manager) reports in its semi-annual statement \$2,035,924 assets and \$938,710 surplus. Very creditable gains were made in both assets and surplus.

—President Irvin of the Fire Association (and National Board) has written a letter on the New York "cityuation," in which he refers to the dissolution of the New York Tariff Ass'n as a "Black Friday" disaster, and urges reorganization on the basis of a reinstatement of old rates less 35 per cent.; brokerage, 20 per cent.; dwellings and branch offices to be left out for present; co-insurance and other prohibitive clauses to be restored; etc.

—The Pacific Mutual wants agents at all important points in the Middle, Western and Pacific States, including Maryland, Kentucky, North Carolina, Georgia, Tennessee and Missouri. Several state agencies are ready for competent men able and willing to go into the field and produce business personally and secure, educate and help sub-agents. The new combination accident and health policy of this company will prove a record-breaker. Its mutual investment contract, with guarantees plainly endorsed, in either ordinary or endowment form, is a splendid life policy.

—In honor of the arrival of the first baby, a San Franciscan last month placed \$50,000 on his life.

—Referee Reed has convicted H. L. Gregory, the Mutual Life agent at Albuquerque, charged with rebating.

—The St. Paul (Chas. Christensen, Coast manager), reports large gains in assets and net surplus in its semi-annual statement.

—The semi-annual figures of the United States branch of the London & Lancashire (Wm. Macdonald, Coast manager) show gains in assets and surplus.

—The Home of New York has increased both assets and net surplus since January 1. It now has \$11,405,267 assets and \$3,868,450 net surplus. Over \$300,000 was added to the net surplus.

—W. L. W. Miller of Denver, special agent for the British America and Western, is in the city. He reports an increasing business and a decreased loss ratio, for his companies, in California and elsewhere on the Coast.

—Chester Deering, special agent for the Pennsylvania Fire, has had Montana and Idaho added to his territory, in consequence of R. W. Osborn's appointment to the assistant managership of the Coast department.

—The Cologne (Kolnische) Reinsurance Co. has entered Connecticut, and deposited \$200,000 with the authorities. Richard Lewis has been appointed manager for the United States. The company has also entered Massachusetts.

—Osborn & Hicks, of the Phoenix Mutual Life, have some good territory open for the right men. The company issues all modern forms of life and investment policies. You are invited to ride up in the *Call* building and examine the Phoenix Mutual's new exchangeable life, return premiums and 5 per cent. bond contracts.

—The J. D. Maxwell Co. has been appointed general agents of the U. S. Fidelity & Guaranty Co., of Baltimore. The company issues bonds to state, federal, county and city officials, administrators or executors of estates and to those in positions of trust. The Maxwell Co. will vigorously occupy the entire state, and we predict a good share of the bonding business for the new managers. They desire agents in every town and city in California.

—The move to secure control of the Hanover Fire failed.

—On September 1 the Fire Association was eighty-one years old.

—W. J. Surryhue, a representative agent of Fort Bragg, is in town.

—Eugene Harbeck of the Brooklyn Phenix has been doing Colorado.

—Frank N. Rust is visiting his agents in southern part of California.

—The business of the Union Mutual Life continues to show an increase.

—Eugene S. Watson a prominent insurance agent and attorney, of Redding, is in town.

—The Hartford Fire added \$160,000 to its net surplus in the six months ending June 30.

—The Greenwich made noteworthy gains in assets and net surplus in the first half of '98.

—Major H. G. Gwyn, a well known local agent of San Diego, is spending a few weeks' vacation in the city.

—The Scottish Alliance of Glasgow will soon establish an American branch. It recently bought the Reading Fire.

—G. E. Hunt, city agent of the Union Mutual Life, left for six weeks' trip to the home office and throughout the East.

—The Agricultural, represented by Edward Brown & Son, increased its net surplus in the six months ending June 30.

—E. R. Ellis, who has represented the Ætna Life for the past four years, has joined the ranks of the Phoenix Mutual.

—Manager A. M. Shields of the Equitable Life has been visiting his southern California agents during the past month.

—The Williamsburg City, represented by Ed E. Potter, made gains in assets and net surplus in the first half of this year.

—Harry H. Smith, special agent of Union and Law Union & Crown, has just returned from a month's visit to the southern part of the state.

—R. H. Garrigue, Western general agent of the Merchants of Newark, celebrated his twenty-fifth anniversary as an underwriter, Aug. 20.

—Agency Director McLane, of the New York Life, has been spending a few days in southern California looking after the business of his company.

—W. M. Wood, formerly an employe of the Fidelity & Casualty in this city, is now employed by the company in its Chicago office.

—OMISSION.—In our summary of Judge McGraw's brief on the unconstitutionality of anti-compact legislation, in June *Coast Review*, a copy page seems to have slipped a cog, for on page 317 appears this break: "a cutting of rates that the income is X." We have been asked by readers in different sections, to print the Judge's able brief in full.

—Occasionally a common sensible man is appointed insurance commissioner, like Carr, who says, "If the people of the State of Maine want lower insurance rates there must be methods taken to reduce the number of fires unaccounted for. Our average now is altogether too large. Each year there are losses of from \$600,000 to \$800,000 in which the origin of the fire remains undiscovered." Out West there are insurance commissioners who profess to believe that rates do not depend on fire losses, but are arbitrarily made.

—The Thuringia Insurance Company, of Germany, made a good showing on January 1, 1898. The assets foot up over eleven and a half million dollars, with over one million surplus. The Thuringia was organized in 1853. This German company, under United States Manager Voss, of New York, is now doing business in nearly every state in the Union. Voss, Conrad & Co., are Pacific Coast managers of the Thuringia, also the newly organized Thuringia Fire of New York, the Frankfort of Germany and the Frankfort-American of New York.

—In San Jose, Cal., insurance companies are ranked with sewing machine companies, in an ordinance going into force on August 1, 1898. "Each sewing machine, life, fire or accident insurance company doing business in the city of San Jose shall pay a quarterly license of seven and 50-100 dollars." If some agent would favor us with other license fees in the Garden City we might learn the relative rank of an insurance company, according to the city fathers,—as compared, say, with a book agent, pawn-broker, auctioneer, street-corner faker, livery stable, and other real or alleged nuisances. Just why a sewing machine company should be coupled with an insurance company, in section 27, and with no other kind of company, is puzzling. The city fathers undoubtedly saw some resemblance between the two classes of companies. What was it? Perhaps our readers can help us out.

—McGarvin & Brouson have been appointed resident agents of the Law Union & Crown at Los Angeles.

—Since organized in 1852 the Continental has paid nearly \$40,000,000 in losses. It paid Chicago and Boston conflagration losses in '71 and '72 in full.

—One of our leading life insurance companies advertises elsewhere in these columns for special and local agents to represent the company in California.

—CHICAGO.—The annual meeting of the Fire Underwriters' Association of the Northwest, Sept. 27-28, promises to be a great affair. Fricke and Oviatt will read papers.

—J. W. Hicks, of Osborne & Hicks, managers of the Phoenix Mutual Life, will soon leave for Oregon in view of opening up that state. E. R. Ellis will accompany Mr. Hicks.

—Assistant Manager Dixwell Hewitt, of the Pacific department of the Phoenix, of Hartford has been directed by the home office to go to Westminster and adjust the company's losses at the recent conflagration.

—Lieut. B. B. Sturdivant of 1st Cal. Regiment writes from Manila that his regiment has been exceedingly fortunate, both in escaping sickness and also in the very few killed and wounded in the various skirmishes.

—General Manager J. N. Lane, of the Palatine Ins. Co., of Manchester, England, expects to leave on the S. S. *Teutonia* for New York, on the 14th of Sept. He has not been in the U. S. since 1891. He will probably extend his trip to the Pacific Coast.

—Editor *Coast Review*: It is really serious. Another month passed and nothing is done by the executive committee to suppress excessive commissions paid to salaried agents, city agents, etc., etc. These practices will disrupt the Board.

WARNING.

—Prof. Huxley is said to have made a lens of ice and to have concentrated the rays of the sun through it so as to set on fire an inflammable substance on the other side. If the Professor could have seen the icy reception which a solicitor sometimes gets from a business man, and then have seen him raise this Arctic temperature to blood heat, and write the application of the would-be refrigerator for a good round sum, he wouldn't have thought his experiment so wonderful a thing after all. *Union Central Advocate*.

—Managers Watt, Pope, Callingham, Lowden and Edwards have been visiting Pacific Northwest agents of their companies during the past month. These gentlemen report all kinds of business in healthy condition in the Northwest country.

—Thos. W. Johns, 1st Lieut. and Asst. Adjutant of the Sixth Cal. Regiment U. S. V., will soon join the ranks of Messrs. Osborn & Hicks. Mr. Johns represented the Phoenix Mutual Life before the war broke out. He can write insurance as well as drill a regiment of soldiers.

—LANGUISHING.—This seems to be the condition of the Life Underwriters Association of San Francisco. At the last election the younger men were put to the fore, in the belief that they would stir things up and make a good showing; but the present outlook is disappointing. The example of the recent successful meeting of the National Association at Minneapolis ought to stimulate our local Life Underwriters Association.

—Special Agent Wm. B. Foster, of Manager Wm. J. Landers's office, died on Saturday, September 4, of heart failure. Mr. Foster was a native of Harrisburg, Pa., and was about 35 years old. He began insurance work early in life, and was at one time a local agent in New Mexico. The deceased left a wife and three children. Mr. Foster was a very capable field man, and popular with local agents and his associates in business.

—INSURANCE AGAINST DROUTH.—The *Southwestern Stockman* prints an article in favor of the insurance of cattle on ranges in the Southwest against drouth. The scheme is very simple, according to the *Phoenix* paper. If a little study of the meteorological data indicates a dry summer, all a rancher would have to do would be to go to the office of the "closest" agent and take out a policy on his herd for one year. The rate would be fixed by the company's weather experts, based on government reports. But as the expected drouth would cover pretty much all the territory, and insurance, as proposed, would be taken out only for the year in which there were indications of a dry season, we cannot imagine any stockman willing to pay the premium which the insurance company would have to charge for a guarantee against loss by starvation. The *Stockman* will find other reasons urged against drouth insurance in an article appearing elsewhere in this issue.

—F. J. T. Stewart, surveyor for the Continental Ins. Co., has gone to Ithaca, N. Y., and was married there to Miss Beatrice Alice Richardson, Sept. 14. Mr. Stewart has perhaps, at last, come upon his only risk, which is not sufficiently understood by him, to fully report to the Continental.

—F. A. Stolp, cashier of the Pacific Coast department of the National Life Insurance Co., has just returned from the National Life Underwriters Convention at Minneapolis. He enjoyed his trip very much and feels very much benefited from the points that he gained while at the National convention. Mr. Stolp believes that the Underwriters Association is exceedingly beneficial to all life insurance men.

—Kansas insurance agents are said to be working "tooth and nail" against the ticket of the party that produced and defends McNall the insurance commissioner. They want no more McNalls. Whether the locals hold the balance of power as in California and in other states we do not know. Every friend of honest government will wish them success and the redemption of Kansas in the fall campaign.

—Harry F. Gordon, the well known Oakland insurance man, has gone into partnership with James Fraser, for several years past city solicitor for the Norwich Union. The firm name will be Gordon & Fraser. These well known insurance men have taken the city agency for the Norwich Union and the Sun of London, and will have the offices formerly occupied by Manager Lowden, at 308 Pine street. General Agent Callingham and Manager Lowden are to be congratulated on securing the services of these two active and experienced underwriters.

WANTED!—A few reliable men to act as district specials, or local agents for a first-class regular life insurance company, issuing up-to-date contracts; can make satisfactory arrangements as to territory and compensation by applying to "Manager," care of The Coast Review. Local Fire Insurance Agents can materially increase their income by applying as above.

—Homer Craig of the Pennsylvania Fire was recently disabled by an accident.

—Don't forget that acetylene gas is very dangerous. So is cheap illuminating gas.

—The Orient (W. J. Callingham, general agent) made very creditable gains in assets and net surplus in the six months ending with June 30.

—It is stated that altogether less than \$6,000,000 of gold dust has been brought in from the Klondike diggings. California's first year's gold dust was eleven times as much. These big Klondike drafts we read of are principally payments for mines bought on speculation.

—The wheat yield in the Pacific Northwest is enormous this year. Forty, fifty and sixty bushels an acre are claimed in many localities. Now if the European great powers will kindly go to war and create an unusual demand for wheat, we shall all be much obliged.

—Chili requires foreign fire offices—nearly all British—to deposit \$250,000 for each of its branches. The deposits are to be in Chilian currency or bonds, "as security for losses incurred in Chili." Foreign life offices are required to put up a deposit of \$1,500,000. It is another story of wolf and lamb.

—From our friend H. E. O'Brien of San Diego, we received the following. It's good: "Isn't there something in my policy," asked a caller at a Fourth Street insurance office the other day, "about my having to 'report any change of residence?'" "Yes, sir," said the man at the nearest desk, picking up a pen. "Where have you moved to?" "I haven't moved anywhere," rejoined the caller. "I have made a change in my residence by painting it a light straw color and putting a jack on the kitchen chimney. I think that's all. Good day."—*Short Rates.*

—President Staples and Vice-President Dutton of the Fireman's Fund are both well known throughout this broad land, as able and conservative fire underwriters and genial gentlemen, but when one hears a story about their marksmanship, such as came to the *Coast Review* office the other day, one can not class them as modern nimrods. Especially is this true of Mr. Dutton, who shot seventeen times at a buck during a recent visit to the Country Club, and never touched him. Now, that is the story we heard, but of course, we do not believe it.

—Manager L. B. Edwards has been visiting the Northwest.

—E. D. Silent & Co. of Los Angeles have been appointed agents of the Pacific Mutual Life for southern California.

—Manager Letton is chairman of the Western Union committee on non-union competition, to be discussed at the Niagara meeting this month.

—A REBATER.—E. T. Nichols, formerly a solicitor for the Equitable Life in this field, has been found guilty of rebating by Referee Reed.

—The best evidence of the possibility of National supervision of insurance is presented by the reported attempt to incorporate by act of Congress an organization of State insurance department supervisors, with "permanent headquarters and paid secretary and clerk at Washington." National supervision can not be defeated nor delayed by such a scheme. The country will never be free from shaky and fraudulent insurance companies until a National insurance department is created.

—California's increase in railway mileage was 219 miles in the last fiscal year. The largest. The mileage of the entire country is 184,428. The capital invested is \$10,635,008,074, of which a little over half is capital stock. Seventy per cent. pays no dividends. These are figures of year ending June 30, 1897. The number of men employed is 823,476, enough to hold the balance of power in a National election if the government owned the railroads. Next year's report (for the year ending June 30, 1898) will doubtless show an improved state of affairs.

A SPOKANE WANT.



WANTED!---

AN EXPERIENCED LOCAL WANTS
EXCLUSIVE AGENCY FOR THE
CITY OF SPOKANE OF A GOOD
FIRE INSURANCE COMPANY HAVING
LARGE REINSURANCE FACILITIES.

ADDRESS---

W. Fullerton,
Spokane, Wash.

(Formerly of Great Falls, Mon.)

—**SYNOPSIS.**—The Penobscot hotel burned August 16; loss, \$2,500 and no insurance.

—Judging from the secular press and the politicians, insurance is no longer a legitimate business.

—The Hanover (Cesar Bertheau, Coast manager), increased both assets and net surplus in the first six months of '98.

—The \$200,000 class agents of the New York Life selected the booming Niagara Falls as fittest place to celebrate in annual conclave.

—Manager Finnegan of the Travelers had the misfortune to lose his wife last month. Mrs. Finnegan was very ill for many weeks.

—The Hamburg-Bremen (Rudolph Herold, Jr., Coast manager), increased the assets and surplus figures of the American branch from January to July.

—Manager Day of the Washington Life has recently made the following appointments: Howard Perrin, superintendent of agencies of the Pacific Coast department; G. W. Creaser, special agent, at Los Angeles; J. H. Wright, cashier of the San Francisco office.

—Chief Wright of Roslyn, Wash., has invented a new nozzle to be attached to hose. The new point is that a spray is thrown back on the firemen who hold the hose, thus protecting them from the intense heat to which they are so frequently subjected.

—The Fireman's Fund issues a timely and interesting folio story of Old Glory, not forgetting to mention that it is the second largest fire and marine insurance company in the United States over which Old Glory waves. The Flag, authorized in 1777, is one of the oldest in the world—older than the present flag of Great Britain or France, or Spain or Portugal or Italy.

—The Rob B. Caverly of unsavory memory, whom the *Coast Review* of January and February, 1880, denounced as an all round crook, is now printing an insurance paper in London, called the *Index*. While existing in San Francisco, Caverly conducted an indecent show at the notorious Bella Union theater. It is gratifying to us to receive reassurances of Caverly's enmity, as printed in his *Index*; it is scarcely less gratifying to find that the rogue has a kind friend with a fellow feeling in San Francisco, who reprints Caverly's heavy *Insurance Index* editorials touching the *Coast Review*.

—The Royal Exchange has been admitted to Maine.

—Thos. E. Perkins of the Spectator Pub. Co. was in San Francisco last week.

—30c will buy at this office a cloth-bound pocket expiration book. Send for one and you will send for another. Mailed to any address.

—The United States branch of the Magdeburg (Gutte & Frank, Coast managers) increased its assets from \$881,729 to \$925,704 in the first half of '98.

—The Insurance Company of North America (James D. Bailey, general agent) made a large gain in net surplus in the half year ending June 30.

—The best thing we have heard of the fine condition of the Travelers is the statement that the company will not publish the several commissioners' report.

—Capt. William O. O'Neill, of Prescott, A. T., one of Col. Roosevelt's Rough Riders, killed July 1 in the attack on Santiago, was insured in the Mutual Life for \$2,500.

—A. L. Jacobs of Salt Lake, who is visiting relatives in Germany, places the *Coast Review* and its readers under obligations for a translation from a German paper, which we reprint on another page.

—Much of the recent \$100,000 loss at Jacksonville, Ill., is declared to have been the result of politics in the fire department. Yet some folks profess to be of the opinion that underwriters should not go into politics.

—The Fire Underwriters Association of the Northwest meets in Chicago on the 27th inst. The original design was to meet in Omaha, but the ranting Populist press which asks to see fire underwriters "wearing stripes," prejudiced the committee against Nebraska as a meeting place.

WANTED!

Competent and experienced

LIFE INSURANCE MAN

FOR THE WHEAT DISTRICTS OF
EASTERN OREGON.

Best opportunity in six years.

POND & McCANDLESS, Managers

MUTUAL LIFE INS. CO. OF NEW YORK,
Oregonian Bldg., Portland, Or.

—The United States branch of the Royal (Rolla V. Watt, Coast manager) reported \$2,547,282 surplus on July 1, a gain of nearly \$200,000.

—The Citizens of Evansville, an Indiana wild-cat, has gone into the hands of a receiver. It had \$20,000 paid up capital, and found plenty of demand for its policies among property-owners who think board rates are too high and have a fancy for mutual fire indemnity.

A SOUTHERN CALIFORNIA FIRM

...CONTROLLING FINE LINES...

Are desirous of corresponding with a

REPRESENTATIVE FIRE INSURANCE CO.

which is in need of the services of

AN OFFICE OR FIELD MAN.

Address, "A 1 INSURANCE,"

Coast Review office,

San Francisco, Cal.

THE Union Central Life

INSURANCE COMPANY,
Cincinnati, O.

ASSETS, Jan. 1, 1898 - \$18,705,130.31
SURPLUS, 4% Standard - \$ 2,611,370.91

Total Amount Insured - \$106,517,344.00

No Fluctuating Securities
Largest Rate of Interest
Lowest Death Rate

*Endowments at Life Rates and Twenty
Payment Guaranty Policies
Specialties.*

Large and Increasing Dividends to Policyholders

DESIRABLE CONTRACTS and

Good Territory open for LIVE AGENTS.

Address JOHN M. PATTISON, President, or
G. G. PRATT,

Manager Pacific Coast Depart't

405 Montgomery Street

San Francisco.

PACIFIC COAST DEPARTMENT

Franklin Fire Insurance Company

OF PHILADELPHIA. INCORPORATED 1827.

Surplus to Policyholders \$1,507,735.00

Williamsburg City Insurance Company

OF NEW YORK. INCORPORATED IN 1853.

Surplus to Policyholders \$1,185,148.00

ED. E. POTTER, GENERAL MANAGER.

508 California Street

SAN FRANCISCO.

The City Trust, Safe Deposit and Surety Company

Of Philadelphia

Incorporated 1886.

FULL PAID CAPITAL, - - \$500,000.

ASSETS Jan. 1, 1898, \$2,768,690.78

This Company becomes Surety for the fidelity of Officers and Employees of Banks, Trust Companies, Railroad Companies, Express Companies and other Corporations.

It becomes Surety upon Contracts with the different States and Cities and with the National Government. It is accepted as Sole Surety under the Act of Congress passed August 13, 1894.

It is approved by the Courts as Sole Surety for Receivers, Assignees, Committees,

Administrators, Executors, Trustees and Guardians, and in cases of Attachment

Replevin, Appeal, Capias, &c., where bonds are required.

CALIFORNIA DEPARTMENT: - 508 California St., SAN FRANCISCO.

HENRY WADSWORTH, (Cashier Wells, Fargo & Co.) Resident Vice-President.

EDWARD E. POTTER, Resident Sec'y. FREDERICK S. STRATTON, Attorney.
AGENTS WANTED.

—Elsewhere see card for life men in the Northwest.

—The Phoenix of Hartford is now writing five-year policies.

—Manager Pope of the Pennsylvania recently made a brief trip in the Pacific Northwest.

—If a National bankruptcy act, why not a National insurance act? Echo answers, Why not!

—Manager Paul E. Rasor and Director E. F. Miethke, of the Magdeburg Fire, are making a tour of the United States, and will shortly visit this Coast.

—New York city fire premiums, \$4,556,556 for first half of '98, a decline of a million, compared with same time in '97. Foreign companies decline was 10 per cent.; local companies, 20 per cent.; agency companies, 27 per cent.

—Paul E. Rasor, United States department manager of the Magdeburg Fire, has been elected president of the recently organized Underwriter's Club of New York city. President Driggs of the Williamsburg City, was elected vice-president of the club.

—The Sunderland fire accounts grow more disgraceful, according to English prints. Here is a large English provincial city, with a fire department composed of a few policemen. The hose was so rotten that it was a line of fountains; there were no engines. Property to the value of \$2,000,000 was destroyed. The big town is behind tenth-rate American cities in fire-fighting appliances, says the *London Daily Telegraph*.

—The Phoenix of London will soon organize the Pelican Assurance Company of New York, with \$200,000 capital and \$100,000 surplus.

—Poor Utah! The Ft. Wayne of Indiana is doing business there. It is reported to be doing an underground business elsewhere on the Coast also.

—A son of Mayor Reed of San Diego recently struck on the rocks while diving into too shallow water. At last accounts his recovery was still possible.

The Coast Review Manual.

Following are a few expressions in favor of THE COAST REVIEW Manual written us by correspondents:

"It is a great help."

"It is certainly perfection."

"Contains many suggestions of great value to local agents."

"Contains information not to be obtained from any other source."

"I could not well do without it."

"I find within its pages a vast amount of useful information."

"I have never seen any other manual that would give the local agent as much intelligent aid."

"We keep it ready at hand, referring to it often, using it as an authority."

"I keep it on my desk for reference."

"It is the best instruction book for agents."

"I note many items of advantage to me, and for which I have looked in vain elsewhere."

"The best book of the kind published."

"It is just what we agents need."

"Explanations are clear and concise."

"It is easily understood."

"Most complete, concise and clearly written book of the kind I have ever seen."

Better than Klondike!

Over fifty million dollars of farm products in Oregon and Washington during 1897.

A larger crop and better prices in prospect for 1898. Some of this money will go for life insurance.

The Penn Mutual Life Insurance Co.

. . . OF PHILADELPHIA . . .

Nearly doubled their total insurance in force in these States in 1897, and offer unequalled attractions, both for the agent and the insured.

To reliable agents the most liberal contracts and desirable territory can be given.
Address at once,

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THE COAST REVIEW

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J. G. EDWARDS, Proprietor,
Pacific Mutual Building, San Francisco.
Telephone No. 1530.

Vol. 54.

OCTOBER, 1898.

No. 4

Annual Statements in This Year's Coast Review.

<i>Ætna Life</i>	February
<i>Alliance</i>	May
<i>American, N. J.</i>	June
<i>Atlas</i>	May
<i>Caledonian</i>	July
<i>Commercial Union</i>	June
<i>Connecticut Mutual Life</i>	March
<i>Connecticut Fire</i>	April
<i>Equitable Life</i>	February
<i>Fireman's Fund</i>	January
<i>Franklin Fire</i>	February
<i>German-American</i>	April
<i>Greenwich</i>	September
<i>Hartford Fire</i>	January
<i>Home Life</i>	February
<i>Law Union & Crown</i>	July
<i>London & Lancashire</i>	May
<i>Magdeburg</i>	May
<i>Manchester</i>	June
<i>Massachusetts Mutual Life</i>	February
<i>Milwaukee Mechanics</i>	March
<i>Mutual Benefit Life</i>	March
<i>Mutual Life</i>	February
<i>National Fire</i>	February
<i>New England Mutual Life</i>	April
<i>New York Life</i>	February
<i>New Zealand</i>	August
<i>North British & Mercantile</i>	June
<i>Orient</i>	April
<i>Pacific Mutual Life</i>	February
<i>Pennsylvania</i>	August
<i>Royal Exchange</i>	May
<i>Springfield Fire</i>	February
<i>Union Central Life</i>	March
<i>Union Assurance</i>	July
<i>Westchester Fire</i>	March

This Year's Index for Life and Casualty Men.

Anti-Rebate Convictions	August
<i>Ætna Life Insurance Co.</i>	February, May
American Fraternal League	August
American Aggregate Figures	May
American Legion of Honor	May
American Surety Co.	February
Ancient Order U. W. in California	April, August
Authorized Assessment Ass'ns in Cal.	February
Bankers Alliance Failure	February
Berliner Sults	September
California Life Business	January, March
California Miscellaneous Business	February
Casualty & Surety Figures	March
Charter Oak Failure	April
Chicago Guaranty Fund Life	February and May
Chosen Friends	April and May
Coast Life Totals	September
Combination Acci.-Health Policy, new	September
Connecticut Indemnity Ass'n	August, September
Connecticut Mutual Life	March
Co-operative Associations' Figures	April, August
Covenant Mut. Life Ass'n	April, May, June, Aug.
Denver's Five Assessment Ass'ns	April
Empire Life	May
Employers Liability	March, September
Employers Liability Business	July
Endorsements by Representative Men	March
Equitable Life Assurance Society	February
Equitable Indemnity	April
Fidelity & Casualty	April, August
Fidelity Mutual Life	May, June, July
Hartford Life Ins. Co.	January
Home Life Insurance Co.	February
Independent Order of Foresters	January
Knights of Pythias	September
Life Insurance Clearing Co.	May, September
Massachusetts Mutual Life	February
Merchants Life Association	April

Ministerial Life Ins. Co.	January
Montana Figures	June
Mutual Life Ins. Co.	February
Mutual Benefit Life	March
Mutual Reserve Fund	March, April, June
National Life Association	May
New England Mutual Life	April
New Mexico Figures	June
New York Life Ins. Co.	January, February
Northwestern Life Assur. Co.	May, September
Northwestern Mutual Life	April
Old Wayne Mutual Life	April, September
Oregon Business	April, June, August
Pacific Mutual Life Ins. Co.	February
Pacific Surety Co.	March
Phoenix Mutual Life	April
Preferred Accident Ins. Co.	February, August
Railway Accidents	September
Results in United States	April
Sherman & Harmon	February
State Mut. Life of Ill.	August
Six Months' Figures	September
Surplus	August
Term Life Insurance Discussion	May
Total Abstinence	September
Travelers Litigation	January, June, September
Union Central Life	March
Union Mutual Life	August
Utah Figures	June
Van Tuyl's Paper	September
Vigilantes, of Portland	April
Washington Co-operative Life	April
Western Mutual Life	June

Our Digest of Recent Insurance Decisions.

Fire.

Limitation Clause.

The limitation of actions to one year, contained in fire insurance policies in the standard form, being prescribed by the statutory form, and not subject to variation or omission by the parties, is not properly a contractual limitation, but is one specially prescribed by law, within Code Civ. Proc. § 414.—*Hamilton v. Royal Ins. Co.*, 50 N. E. 863, 156 N. Y. 327.

Clear Space and Tramways.

A policy contained a warranty that "a continuous clear space of 100 feet shall be maintained between the property insured and any woodworking establishment, tramways, upon which lumber is not piled, alone being excepted," the property was piled in close proximity to long wooden platforms extending back to plaintiff's sawmill. Plaintiff introduced evidence

that these platforms were known among those familiar with sawmills as "tramways." Held that, in the absence of a showing that the platforms were understood to be tramways, at the time the contract was entered into, by both parties, the evidence did not warrant a finding in plaintiff's favor.—*Gough v. Jewett*, 52 N. Y. S. 707.

Prices.

Evidence that the brand of goods destroyed is preferred in places other than the one in which the goods were held does not injure the interests of an insurance company in an action against it to recover for the loss of the goods, where the jury found according to the prices where the goods were destroyed.—*Hartford Fire Ins. Co. v. Cannon*, 46 S. W. 851.

Oral Application to Agent, but no Company Named.

Insured applied orally for insurance to defendant's agent, paying him the agreed premium. The agent gave his individual receipt, and promised to issue the policy the following week. He represented several companies, and there was no agreement with which company the insurance was to be placed. Held, that there was no contract for insurance with an insurer whose policy the agent issued in pursuance of such agreement.—*Kleis v. Niagara Fire Ins. Co.*, 76 N. W. 155.

Subsequent Insurance.

Under Act March 29, 1889, providing that, when one who has effected insurance on real estate at one valuation subsequently effects additional insurance on the same property at a higher valuation, all the insurance on such property shall be invalidated, where a policy covers separately real and personal property, and subsequent insurance on an increased valuation is effected separately on the same real and personal property, the insurance on the real property will become void, but that on the personal property will not be affected.—*Thurber v. Royal Ins. Co.*, 2 Hardesty, 14.

A policy providing that the procurement of additional insurance, except by agreement with the insurer, should avoid it, recited that "permission is hereby given for other concurrent insurance." Held, that the policy was not made void by other insurance covering only a part of the property insured by it.—Gough v. Davis, 52 N. Y. S. 947, 24 Misc. Rep. 245.

Failure to Keep Books.

A policy required insured to keep a set of books presenting a clear record of the business transacted, including sales, and failure to do so was to avoid it. Insured made credit sales to different persons before the fire, which were not shown by the books. Other sales were entered in the journal, cash, and day book, but not in the ledger, and insurer was charged with them in the proof of loss. Held, that the condition had been violated.—Beville v. Merchants' Ins. Co., 46 S. W. 914.

Proofs.

The failure of an insurance company to object specifically save upon one ground, when preliminary proofs of loss are made, merely precludes the company from objecting to the sufficiency of such preliminary proofs upon other grounds; the company does not thereby confess the full amount of loss as set forth in the proofs. Kuznik v. Orient Ins. Co., 73 Ill. App. 201.

Cancellation.

A policy required insured to make sworn proof of loss, stating all other insurance covering the property, and any fraud or false swearing by him was to avoid it. The underwriters of another policy covering the same property notified insured of their intention to cancel it, but this was not done until after the fire. Insured procured another policy, which was to replace the one about to be canceled, and notified defendant insurer. The proof of loss gave the new policy, but did not mention the one intended to be canceled. Held, that defendant's policy was not thereby made void.—Gough v. Davis, 52 N. Y. S. 947, 24 Misc. Rep. 245.

Description of Hotel Building.

A policy of insurance was "on the two-story * * * building occupied by assured or tenant as an hotel, * * * known as the 'Central Hotel,' and on furniture and other personal property while contained in the above-described building." Held, that the whole house was insured together with the specified personal property therein, and the failure of arbitrators to value personal property in a one-story part thereof rendered the award invalid.

Arbitration.

Arbitrators gave no notice of the time and place of their meeting, and refused permission to a party to appear before them. Held, the award was void.—Phoenix Ins. Co. v. Moore, 46 S. W. 1131.

Assignment.

The loss itself fixes the liability of a fire insurance company, and makes the claim of the insured assignable as such; proof of loss and adjustment are not necessary.

The rights of an equitable assignee of an insurance policy, after loss, are superior to those of a subsequent attaching creditor of the original holder of the policy.—Greenwich Ins. Co. v. Columbia Mfg. Co., 73 Ill. App. 560.

Marine.

Under a contract of insurance of the profits on a cargo of sugar "against total loss only" there is no actual total loss of profits where any part, however small, of the cargo, is saved, and reaches the owner in condition to earn a profit; and in such case no recovery can be had.

In the United States the owner may abandon ship or cargo, and treat the loss as constructively total, when the damage exceeds 50 per cent. of the total value.

Where insurance is upon the profits of a cargo, and not upon the cargo itself, a partial loss cannot be converted by abandonment into a constructive total loss.

In cases of constructive total loss, abandonment is indispensable to recovery of

insurance, except when it could not possibly be of benefit to the insurer.—*Insurance Co. of North America v. Canada Sugar-Refining Co.*, 87 F. 491.

Life.

Assignment.

A paid-up life insurance policy issued in favor of the wife of insured was assigned by a writing signed by insured to secure his debt, which referred to "my" policy, and purported to be also signed by the wife's mark, made in the presence of a witness to both signatures. For 23 years thereafter, and until the death of insured, the dividends were paid annually to the wife, and no claim was made by the assignee of the policy, or by his administrator after his death, until the present action to determine the ownership of the policy. The wife being barred from testifying, the only one who could testify as to her execution of the writing was the subscribing witness, who, on account of the long lapse of time, was unable to testify as to any of the circumstances. Held, that a showing that the wife could not read, in the absence of evidence that the writing was read or explained to her, together with the unsatisfactory evidence of the subscribing witness, rendered the evidence insufficient to show a valid assignment by her.—*Weincke v. Arbin*, 40 A. 709.

The provision in a life insurance policy making it incontestable after it has been in force one year if the premiums are paid refers to matters connected with its issuance, and not its assignment.—*Clement v. New York Life Ins. Co.* 46 S. W. 561.

False Answers as to Health.

Where deceased in his application for life insurance stated he was in sound health, the fact that he was not in sound health when insured, except in so far as his health was impaired by diseases which he stated in his application he had had, relieves the insurer from liability.

Where the application signed by deceased for life insurance contained in-

quiries, the replies to which were warranted to be true, as to whether he ever had disease of the kidneys, disease of the urinary organs, jaundice, and other diseases, all of which were answered in the negative except as to disease of the kidneys and jaundice, the insurer is released from liability if the deceased ever had a disease of the urinary organs, although such disease was caused by disease of the kidneys.—*Metropolitan Life Ins. Co. v. Rutherford*, 30 S. E. 383.

Indorsement of Check.

The act of the wife of the insured in indorsing his name on a check payable to him, and forwarding it to the company with the money necessary to make the amount of a premium note past due, constituted a payment of the note, though the insured was then delirious; and, though not received by the company until the day of the death of the insured, the company had no right two days thereafter to return it, and treat the policy as void.—*Union Cent. Life Ins. Co. v. Duvall*, 46 S. W. 518.

Reading.

One accepting a policy of insurance is conclusively presumed to read it, and know its contents, unless he shows that he was dissuaded therefrom by some fraud or trick on the part of the company.—*New York Life Ins. Co. v. McMaster*, 87 F. 63.

Premium Note.

Where a life policy provides that the failure to pay any premium note at maturity shall render the policy void without action on the part of the company, an unconditional demand, after maturity, for the payment in full of a premium note, is a waiver of the forfeiture.

Where a policy of life insurance provided that the failure to pay any premium note at maturity should render the policy void without action on the part of the company, a letter from the company to the insured demanding payment of a premium note after maturity, and warn-

ing the insured that his immediate attention was of the utmost importance to the validity of his policy "in the event of sudden misfortune," and stating that "we have carried your insurance nearly a year," was a waiver of the forfeiture, though not received by the insured before his death.—Union Cent. Life Ins. Co. v. Duvall, 46 S. W. 518.

Suicide.

A life insurance policy payable to third persons as beneficiaries contained an absolute, incontestable clause, except for nonpayment of premiums, etc. It also contained a clause that death in consequence of, or in, violation of law by the insured was a risk not assumed. Held, that the death of the insured by suicide did not, under the last clause, avoid the policy, in the absence of a special provision so providing.—Patterson v. Natural Premium Mut. Life Ins. Co., 75 N. W. 980.

Rev. St. Mo. 1889, § 5855, which provides that in suits "upon policies of life insurance," suicide shall be no defense, although the policy may contain stipulation to the contrary, does not apply to accident policies, although Rev. St. Mo. 1889, § 5811, authorizes life insurance companies to engage in the business of accident insurance, declaring, however, that "such accident insurance shall be made a separate department of the business of a life insurance company undertaking it."—Tiektin v. Fidelity & Casualty Co., 87 F. 543.

Division of Surplus.

The charter of a company issuing endowment policies provided, in reference to its surplus profits, that "each policyholder shall be credited with an equitable share of the said surplus," and the right to determine what is an equitable share was to rest in the discretion of the officers of the company, "in view of present circumstances and future contingencies." Held, that a division of its surplus each year, after the retention of a part to strengthen the company to meet its obligations to its policyholders, was not a

division to which a policyholder could object as inequitable.—Greiff v. Equitable Life Assur. Soc. 52 N. Y. S. 503, 24 Misc. Rep. 96.

Compromise.

The beneficiary of a life policy, who compromised the claim, after the death of insured, at a quarter of the face value, on the ground, as urged by the company, that false warranties were made by insured in his application for reinstatement after his policy had lapsed, cannot claim, that the policy in fact had never lapsed, in the absence of any fraud or misrepresentations, and where the adjustment had been acted on by both the insurer and the beneficiary.

A company, by claiming that a policy was void for breach of a warranty in the application of insured, as to his health, compromised the claim with the beneficiary (the wife) by giving her a fourth of its face value. She had talked the matter over with a friend, and had acted on the advice of her attorney. There was nothing to show that the company had acted in bad faith in giving or concealing information, or that it had misled defendant in regard to the health of insured. Held, that the compromise is binding on the beneficiary.—Milne v. Northwestern Life Assur. Co. 52 N. Y. S. 766, 23 Misc. Rep. 553.

Assignee Could not Recover.

W. insured his life, and had the policy made payable to his executors, administrators, or assigns; and, eight days after its issuance, he assigned it, in accordance with an agreement entered into before its issuance, to one who had no insurable interest in his life, upon consideration that the assignee pay the premiums thereon, as well as those upon another policy payable to W.'s wife, issued simultaneously, and also the payment of \$25 to W., which assignment was recognized by the company. Held, that the assignee could not recover on the policy, although, when W. died, it had been in force one year, and contained a provision making it incontestable after being in force one year if

the premiums were paid.—*Clement v. New York Life Ins. Co.*, 46 S. W. 561.

Administrator.

Where life insurance policies were assigned to the insurer as security for a loan to the insured, it is not necessary for the latter's administrator to have possession or to make tender of the amount due before suing for the balance on the policies.—*Steele v. Connecticut General Life Ins. Co.*, 52 N. Y. S. 373.

Semi-Tontine.

An endowment policyholder, claiming larger dividends than he has received, may demand a cash payment therefor, notwithstanding his policy contemplates an application of his dividends to the purchase of additional insurance, or an annuity, according to his election, where such election has been made and disregarded.

An endowment policy provided that insured was entitled to "participate in the distribution of the surplus according to such principles as may from time to time be adopted by this society for such distribution, which principles and methods are hereby ratified and accepted for every person who shall have or claim any interest under this contract." Held, that the insurer did not thereby promise to divide its whole surplus among the policyholders, and that the policy alone determined the obligations of the insurer, notwithstanding its charter may have directed such a division should be made. *Greeff v. Equitable Life Assur. Soc.*, 52 N. Y. S. 503, 24 Misc. Rep. 96.

Demand for an Accounting.

In an action by the holder of an endowment policy for larger dividends than he had received during the life of his policy, the complaint showed that an accounting was necessary to determine the rights of the parties, and as such a proceeding, under the insurance laws (Laws 1892, c. 690, § 56; Laws 1890, c. 400), must be on the application of the attorney general, the complaint failed to state a cause of action.—*Greeff v. Equitable Life Assur. Soc.*, 52 N. Y. S. 503, 24 Misc. Rep. 96.

Dividend.

It is no defense to an action at law by an endowment policyholder for a dividend he has not received, that no dividend has been declared.—*Greeff v. Equitable Life Assur. Soc.*, 52 N. Y. S. 503, 24 Misc. Rep. 96.

Waiver.

If a life insurance policy provides that it shall not go into operation unless the insured is in good health at the time of its delivery, testimony of a person, to whom it was delivered by the company's general agent, that he informed the latter at the time that the insured was at home, sick, and that the policy was, notwithstanding, delivered, is competent to establish a waiver of the condition.—*Ames v. Manhattan Life Ins. Co.*, 52 N. Y. S. 759.

Jury on Health.

Where the insured submitted to an examination by the company's physician before the policy was issued, and was found to be in a fair condition of health and free from symptoms of disease of the liver, the jury was warranted in finding that when the policy was subsequently delivered the insured was in good health, though about a year thereafter he died of cirrhosis of the liver.—*Life Ins. Clearing Co. v. Altshuler*, 75 N. W. 862.

Reserve Fund.

By the constitution, by-laws, and certificates of membership, only members persisting for a year after the completion of the reserve fund were entitled to its benefits. Under legislative enactments, the association was compelled to cease issuing new certificates in that department, but continued to collect assessments from one member, who had no knowledge of the change. Held, that the member became entitled to a benefit in the reserve fund, as a persistent member, and that the rights of his beneficiary were the same, but that such rights could not be secured in an action at law on the contract, but must be sought in equity.—*Bird v. Mutual Union Ass'n*, 52 N. Y. S. 1044, 30 App. Div. 346.

Application. New Policy.

In a suit on an insurance policy containing a clause making the application therefor a part of the policy, it appeared that the policy sued on was issued in place of the original policy issued on the application introduced in evidence, and that no formal application for the new policy was ever made. Held, that it was competent for the insurer to show that both parties understood the reference to be to the application for the original policy, but that, in the absence of any proof other than the reference itself, it could not be so held.—*Nelson v. Equitable Life Assur. Soc.*, 73 Ill. App. 133.

Liquor Business Clause.

A benefit society passed a regulation prohibiting its members from engaging in the liquor business. A member, engaging in such business prior to the adoption of the regulation, communicated the fact to the "head consul," who advised that he had no authority to act in the matter if the assessments were kept paid. The by-laws of the order provided that no officer should waive any of its regulations. Held no waiver of the prohibition.—*Loeffler v. Modern Woodmen of America*, 75 N. W. 1012.

Safety Fund not for Death Claims.

If, under the constitution and by-laws of a co-operative, nonfraternal insurance company, the "safety fund" is available for death claims only in case of an actual transfer therefrom to the "mortuary fund" by express direction of the board of trustees, the only persons entitled to share in its distribution after the company has been dissolved, and where there has been no such transfer, are the persistent living members.—*People v. Family Fund Soc.*, 52 N. Y. S. 867; Appeal of Shorb. Id.

Notes.

The agent of a life insurance company, authorized to close the contract by delivering the policy and collecting premiums, has, in general, implied authority to accept notes for the premiums.

A person dealing with an insurance company cannot be bound by a rule of the company forbidding the taking of premium notes, which is intended for the guidance of its agents, and of which he has no knowledge.—*Mutual Life Ins. Co. v. Logan*, 87 F. 637.

Charged with Knowledge.

Where a person had accepted an insurance contract and retained it for more than a year and a half, in a place where he frequently saw it, it was held that he must be charged with knowledge as to statements contained therein purporting to be answers made by him to questions asked by a medical examiner, and to have adopted and approved the answers as written by the examiner.—*National Union v. Arnhorst*, 74 Ill. App. 482.

Warranties.

An application which was made a part of an insurance contract contained the following provision: "I do hereby consent and agree that any untrue statement made above or to the medical examiner * * * shall forfeit the rights of myself and my family or beneficiary to all benefits and privileges," etc. Held, that answers to questions put by the medical examiners were warranties that, unless such answers were in accordance with the truth, the contract did not bind the insurer, that their materiality to the risk was immaterial, and that the question of good faith of the assured was not important.—*National Union v. Arnhorst*, 74 Ill. App. 482.

Delivery of Policy.

A policy and the application therefor required payment of the first premium while assured was in good health. It was delivered without payment of the premium, insured informing insurer's agent at the time that he was unable to pay. No demand for the premium was ever made, and, a month and a half after issuance, insured informed the agent that he intended traveling in a foreign country, and asked if the policy would be vitiated thereby. The agent said, "No." Held, that the condition as to payment of the

premium had been waived.—*Berliner v. Travelers' Ins. Co.*, 53 P. 922.

Waiver.

An insurance policy containing a provision that it should "not take effect until delivered, and the first premium paid thereon, during the lifetime and good health of the insured," was sent to the agent, who secured the application, and delivered by him to the insured while he was sick, on payment of part of the premium in cash, and agreement as to the settlement of the remainder in merchandise. Held, that the delivery of the policy by the agent with knowledge of insured's ill health was a waiver of the conditions of the policy above quoted.—*John Hancock Mut. Life Ins. Co. v. Schlink*, 74 Ill. App. 181.

Sane or Insane Clause.

In a suit on an insurance policy containing "the sane or insane clause" in reference to death by suicide, it is not necessary, to relieve the insurer from liability, that a person taking his own life was conscious of the moral quality or consequence of the act, but only that he knew that the means employed would cause death or endanger his life.—*Nelson v. Equitable Life Assur. Soc.*, 73 Ill. App. 133.

Vested Interest. Assignment.

A policy upon the life of assured, payable to his mother, her administrators or assigns, purported to have been paid for by her, and was issued on her application, through the son as agent, which represented that she had an interest in his life to the extent of the policy. She was not dependent on him for support, and he did not contribute to her support. After her death, assured wrote to her administrator for an assignment of the policy, and stated he had taken it out for her benefit, without telling her for many years, and paid the premiums. Assured then changed the beneficiary by will, and afterwards died. Held, that the mother had a vested interest in the policy, and that the assignment by her administrator without consideration was void, and its

proceeds belonged to her estate.—*Sterrit v. Lee*, 52 N. Y. S. 1132.

Accident.

Untrue Answers.

An accident policy recited that it was in consideration of the warranties in the application, and that no waiver should be claimed by reason of acts of agents not authorized in writing. The application contained untrue answers as to the past health of assured which were warranted to be true, and the application stated that applicant had not concealed anything material to be known to insurer. Held, that the answers avoided the contract, and this though the agent had knowledge, when soliciting the risk, that they were untrue.—*Ketcham v. American Mut. Acc. Ass'n*, 76 N. W. 5.

Forfeiture.

Act June 23, 1885, § 1, providing that no statement in an application for a policy shall work a forfeiture, or be a ground of defense, unless it relates to some matter material to the risk, is of binding effect, though the policy provides that it "shall be held as of Connecticut issue, and construed solely by Connecticut laws"; the latter agreement being against public policy.—*Keaty v. Travelers' Ins. Co.*, 40 A. 808.

Voluntary Exposure.

Under an accident policy excepting from the risks "voluntary exposure to unnecessary danger," an accident is not within the exception unless the insured was aware of the danger he incurred, and purposely assumed the risks thereof.—*Ashenfelter v. Employers Liability Assur. Corp.*, 87 F. 682.

Murder.

Where an accident insurance policy provides that the insurance shall not cover "death * * * resulting from * * * intentional injuries inflicted by any person," no recovery can be had against the company in case of the murder of the insured.—*Brown v. United States Casualty Co.*, 88 F. 38.

Riding on a Locomotive.

A provision of an accident insurance policy that the insurer shall not be liable for injuries or death caused while the insured is trying to "enter or leave a moving conveyance using steam as a motive power, [or is] in or on any such conveyance not provided for transportation of passengers," does not defeat recovery for death from an injury received while riding by invitation in a locomotive drawing a passenger train, the locomotive and train together constituting a "conveyance" for transportation of passengers.

A proviso of an accident insurance policy that the insurer shall not be liable "if the insured is injured in any occupation or exposure classed by this company as more hazardous than that here given" refers to classes of occupation, and not to particular acts not embraced in the occupation given, and hence does not defeat recovery for the accidental death of one insured as a mining expert while casually riding on a locomotive.

Double Benefits to Passenger.

Under a clause of an accident insurance policy providing for payment of double the specified benefit should the insured be injured or killed "while riding as a passenger in any passenger conveyance using steam * * * as a motive power," the beneficiary may recover for the death of insured, who, on invitation of the railroad superintendent, left a railway passenger coach in which he was a passenger, and rode on the engine, and, while so riding, was injured, and died; since he did not thereby lose the character of a passenger.—*Berliner v. Travelers' Ins. Co.*, 53 P. 918.

When Right of Action Accrues.

Under a provision in a policy that "legal proceedings for recovery hereunder shall not be brought until after three months from the date of filing proof at the company's home office, or brought at all unless begun within six months from the time when the right of action shall accrue," the right to bring an action does not accrue until three

months after the time of filing proofs, and the six-months limitation, therefore, does not expire until nine months after the filing of proofs.—*Standard Life & Accident Ins. Co. v. Davis*, 53 P. 856.

Precious Illness.

Insured stated in an application, which was made a part of the policy, that he had never had apoplexy or paralysis. Three months before the application, insured had had an attack of sickness, which two of the three attending physicians called "apoplexy"; and the other, "paresis" or "partial paralysis." He recovered in two or three weeks, and physicians who examined him soon after stated it was improbable that he could have had either apoplexy or paresis. The evidence was conflicting as to whether insured had been told the nature of his illness. Held, that the question whether the statement was true, or was believed by insured to be true, was for the jury.—*Keatly v. Travelers' Ins. Co.*, 40 A. 808.

Surety.

The fact that an insurer in a bond of fidelity insurance has actual knowledge of a loss does not excuse the insured from giving notice thereof within the time prescribed by the conditions of the bond.

A condition in a fidelity insurance bond that any claim thereunder shall be made as soon as practicable after discovery of the loss, and within six months after the expiration of the bond, is a material stipulation, and a condition precedent to recovery thereon.—*California Sav. Bank v. American Surety Co.*, 87 F. 118.

Employers' Liability.

A clause in an employer's liability policy providing that it is issued subject to the agreement and condition that on the occurrence of an accident, and also on receipt of notice of a claim on account of an accident, assured shall give immediate notice thereof, is a condition precedent, even though the policy contains no forfeiture clause.

An employer's liability policy provided that assured should, immediately on occurrence of an accident, notify the com-

pany thereof, and of any claims for damages. An employe of assured was injured, but made no claim for damages until nine months later, when assured for the first time notified the company of the accident. Held, that the notice was too late.—*Underwood Veneer Co. v. London Guarantee & Accident Co.*, 75 N. W. 996.

Post Mortem Assessment Insurance.

At the recent National Convention of Mutual Underwriters—the twenty-third—the president said, "The companies composing this convention, when it was first organized, were post-mortem assessment associations. To-day none of these companies is writing a post-mortem contract. Post-mortem insurance is a thing of the past." The report of the executive committee was an honest confession good for its soul—and in line with the oft repeated warnings of the *Coast Review*. The following extract is well worth the reading:

The experience of the business associations engaged in assessment life insurance has extended well over twenty years, and to-day many of them find their position disappointing to their earlier expectations: not on account of the volume of business they have been able to secure, nor in the amount of effort and expense in procuring it, because in these respects the results have exceeded their fondest expectations, as never in so short a period have such a body of policyholders been brought together by any other system, or at so small an expense: but disappointing nevertheless because the increasing mortality, by reason of advancing age, has—contrary to early expectations—made necessary frequent extra assessments or increases in cost, the effect of which has been the withdrawal of large numbers of healthy lives, which produced an adverse selection against the associations, causing a still greater mortality rate and further increased cost.

All experience has conclusively shown that the lower the cost, the more the attraction to poor risks and fraudulent and speculative insurers. To these classes the inadequate rates of after death assessment companies offered a golden opportunity of which they were not slow to avail themselves, and once admitted to membership there was no way whereby the association could protect itself. No advance payment in excess of current mortality

being required, the burden of adverse selection must fall upon the living persistent members.

Again, after death assessmentism makes misrepresentation easy, and to many agents irresistible. Providing as it does insurance during the earlier years of the company at ridiculously low cost, it furnishes the agent with a past experience which too often has been referred to as the future cost to be expected. In this particular the misrepresentation has unfortunately not been confined to the agent. Much of the assessment literature in the past has consisted of ingenious sophistries to make it appear that the past experience of assessment companies could be taken as a criterion for the future. In many instances the managers of the associations were honestly deceived by such delusive past experience, and pinning their faith to the theory of average age and new blood, refused the advice of those having statistical knowledge as being hostile or prejudiced—hence the early history of life insurance both in this and the mother country was unheeded, and as the inevitable law of nature wrought its unchanging and unchangeable conditions, the results we so much deprecate were produced.

Many of the earlier associations have either failed or amalgamated, and a widespread discontent exists with the system of after death assessmentism. The mortality experience of the associations, and accumulated discontent caused by the necessarily frequent increases in cost, and the violence of these increases, occasioned by their irregular occurrence and too long deferment, can leave no doubt in the minds of intelligent and experienced life underwriters that post-mortem assessmentism lacks the adhesive elements which bind the membership of an organization together, and is unsatisfactory and unfit for permanent insurance.

ONE REASON that life insurance dividends have been decreasing is because life insurance taxes have been increasing. If a candidate for the legislature repeats the usual rot about corporations, depend upon it he will try to make insurance of every kind more expensive.

ST. LOUIS is not much larger than San Francisco but its fire losses for the half year were \$737,178, or nearly twice those of the Coast metropolis. Redwood and luck are on the side of San Francisco.

Pennsylvania Insurance Department on Mutual Fire Insurance.

FRAUDULENT APPLICATION FOR CHARTERS.

The necessity for more restrictive legislation respecting mutual fire insurance companies cannot be too impressively urged. Within the last year much has been done by the department to remedy the loose organization of some of these companies. During the earlier part of the year there were a suspicious number of applications for charters. The papers were presented with every outward form and appearance of regularity, but a little investigation revealed the fact that a considerable number of the applications for insurance were not made in good faith. Some of those whose names were used, contrary to the requirements of the law, did not have a dollar's worth of insurable property, and could not have intended, therefore, to take out the insurance for which it was pretended they had applied. The position was assumed by some of the promoters of these companies that it was not necessary for the applicant himself to take a policy; that he could subscribe for any amount he pleased, and place the risks wherever he pleased. This could not be conceded, of course. There can be no doubt that as soon as a mutual company is organized and a policy is issued there is both a moral and a legal obligation upon all who have signed as applicants for insurance, whether policies are issued to them or not. Their application makes them members, and they would clearly be assessable for their proportion of any loss that might occur, that proportion being determined by the amount of insurance for which they have made application.—*Pennsylvania Ins. Report*, 1895.

DECEPTIVE GUARANTEE FUNDS.

Some of the speculative mutual companies are working with what they enticingly call a guarantee fund. This is no security. There does not appear to be any legislative act to authorize it, but there are always plenty of people willing to do almost anything that is not plainly prohibited by statute. To the innocent a guarantee fund may appear as a gilded promise of safety. It looks substantial and well on paper, but it offers no real protection, and is not itself protected by any distinct provision of law. Some people organize a mutual company with the non-mutual purpose of making money for themselves out of it. They create a guarantee fund by personal contribution. It is not on their part an act of public beneficence. They do not put up their

individual funds for the purpose of bestowing gratuitous blessings upon the people at large, or such of them as are willing to take insurance with their company. They expect to get their money back with a profit. As a matter of fact, they can remove this so-called guarantee fund whenever they please. Should the company suffer heavy losses which it would be inconvenient to pay, the guarantee fund—if such a fund really existed anywhere save on paper—could be withdrawn in an hour.—*Pennsylvania Ins. Report*, 1895.

SAMPLE HUMBUGGING MUTUAL.

The farcical character of the alleged insurance with this Westmoreland company is pointedly revealed by some facts regarding that organization. The company had substantially nothing to show for its existence but a paper charter. It assumed to be located at Colonial Beach, Virginia, but it had no office there, and Colonial Beach is forty miles from a railway. The proofs of loss sent there were remailed to Washington and receipted for by the keeper of a boarding house, and by her delivered to some one representing the company. There could hardly be anything more ridiculous. And yet a firm of business men permitted their property to be insured in such a company. A simple inquiry of the insurance department would have at least given them the information that the company had no right to do business in Pennsylvania, which would have been sufficient to prompt any sound business firm to refuse to make any contract with it. The company or the agent that attempts to cheat the law may be regarded as certain to cheat the assured if the opportunity arises. The facts brought to light in this case ought to be sufficient admonition to all who are so ready to accept cheap insurance because it is cheap, and without the least care as to security.—*Pennsylvania Ins. Report*, 1895.

ANOTHER SAMPLE MUTUAL.

In the examination of the Milton Mutual Fire Insurance Company, which disclosed its insolvency, it was found that a contract had been made with a Philadelphia broker to pay him a commission of over thirty-two per cent. on all business. Insurance was written on policies assessable for the amount of three annual premiums or for cash, the first premium being for the same amount. Here was an inequality at once. One policy was placed by the broker on a \$2,500 risk at one per cent., or \$25 cash premium. Deducting his commission, the company had less than \$17, but the

broker reinsured \$1,000 of the risk in an illegal company at \$10, which left the Milton company \$7 for \$1,500 insurance. A reinsurance of another thousand would have left the Milton company \$500 of insurance and paying for the privilege. The secretary said he had expected the company to fail, but had hoped it would last longer than it did.—*Pennsylvania Ins. Report*, 1895.

THE SPECULATIVE MUTUALS.

The department has had another rather active year with the speculative mutuals. The shifts and devices by which they had so generally succeeded in evading the law under an indifferent interpretation of it no longer availed them when the laws were strictly applied. The record shows that fifteen of them have been closed out within the year and in nearly every instance by the aggressive action of the department. They have been unable to survive the persistent exposure of methods which could never be justified, and through the instigation of this department a receiver has taken the greater number of them in charge. While this has been done, it is equally gratifying to be able to say that no new organization of that character has been permitted during the past year. Evidence has been adduced that the charters of a number of these companies were procured through perjury.—*Pennsylvania Ins. Report*, 1896.

ILLUSIVE MUTUAL GUARANTEE FUND.

The illusory character of what has been called a guarantee fund has been quite impressively demonstrated within the last year in the case of the Iron and Steel Manufacturers' Mutual Fire Insurance Company of Philadelphia, formerly the Mercantile Mutual. The officers of that company in their report for 1895 saw fit to enter among their assets a guarantee fund of \$22,000, "contributed by the directors." When the company was examined by this department some months later, it was found that \$11,000 of this guarantee fund was no longer in the hands of the company, but had been returned to the contributors. The company argues that this fund was never a part of the assets of the company, though it had been placed as such in the annual statement. It was put into the treasury of the company "out of the laudable desire on the part of the officers and prominent members of the company to shield the policyholders from a legal liability of assessment under some contingency that might arise in the change of business." A statement of

that character may be permitted to go as a matter of amusement, but hardly as a matter of business.—*Pennsylvania Ins. Report*, 1896.

ABSURD MISREPRESENTATIONS.

There appears to be more than one of these eleemosynary organizations operating in the disguise of a speculative mutual fire insurance company. The department is gravely assured in some cases that the alleged guarantee fund has been absolutely contributed by sundry kind-hearted people who wish to devote their fortunes to protecting other people from losses by fire. This is rather a refreshing thing in these days when there is so much inclination to carp at the sordid greed of capitalists. It is painful to think that there are people who are disposed to misconstrue the motives of these philanthropists as shown by numerous letters to the department speaking of the companies and their managers in terms evidently intended to be disparaging.—*Pennsylvania Ins. Report*, 1896.

TWENTY-FIVE MUTUALS CLOSED OUT IN THREE YEARS.

It is gratifying to be able to say that the past year has witnessed a further considerable mortality among the speculative mutuals. These companies, which, as I have had occasion to direct attention to in previous reports, were not organized under the spirit of the law nor intended to be conducted as purely mutual organizations, could not withstand the proper test when once applied to them. The operations of most of them were conducted without any pretense of honesty and seeking only to accumulate from the policyholders for the benefit of a small ring of promoters as much as possible. They have been a discredit to the State. It seems to me worth while to put on record at this time the fact that within the past three years twenty-five of the mutuals which are so deserving condemnation have been closed out and compelled to quit business upon proceedings instituted by this department, while the general discredit to which the speculative system speedily fell has led to the voluntary dissolution of a considerable number of others.—*Pennsylvania Ins. Report*, 1897.

EVERY OBSTACLE TO THE COLLECTION OF HONEST CLAIMS.

The strength of a mutual company lies in its power to levy assessments upon its policyholders and its ability to collect the same. In the long list of mutual insurance companies

which have been dissolved during the past two years, in every case the failure of the company was largely due to the fact that it issued cash policies and when distress came had no means to raise the money to pay the losses. The majority of the mutual companies that issued cash policies were purely speculative concerns, the managers running them for their own personal pecuniary advantage, and when the crash came, leaving the companies utter and complete wrecks as the reports of the various receivers show. Another reprehensible feature of the speculative mutuals was the practice of writing underground insurance, or insurance in States where the companies were not licensed and did not comply with the laws of the States in question. It seems strange that reputable business men would lend their names to schemes to violate the law, when they are ordinarily so jealous of their honor. If an unfortunate policyholder in a State where the laws were not complied with met a loss, every obstacle was thrown in the way of collecting the claim, until the lack of funds to pursue the suit compelled the loser to stop his proceedings.—*Pennsylvania Ins. Report*, 1897.

Mutuals in the Courts.

In *Lawler v. Murphy* the supreme court of Connecticut held that individual members of an incorporated association are individually liable for contracts made in the name of the association, without regard to whether they so intended or so understood the law or not, and even if the other party contracted in form with the association, and was ignorant of the names of the individual members.

In *Lycoming Fire Ins. Co. v. Batchelder*, the supreme court of Vermont held that where notes are given they become payable after default in the payment of an assessment, and the directors may "sue for and recover the whole amount" of a note.

The Michigan supreme court has several times decided that a member of a mutual fire insurance company can not avoid his liability on accrued losses by cancellation of his policy. The Pennsylvania supreme court has ruled that the receiver of a mutual may recover from its policyholders for all unadjusted losses as well as for the adjusted losses during the life of the policy.

Whoever becomes a policyholder in a fire mutual, it is clear, assumes liabilities which are not hinted at in the policy or certificate.

Under St. 1894, c. 522, § 49, providing that

the auditor shall appoint a time and place to hear all parties interested in an assessment by a mutual fire insurance company, and shall give personal notice, so far as he is able, to all persons liable on the assessment, the action of the company in making an assessment is not void as against one to whom such notice was mailed, but who did not receive it.—*Commonwealth Mut. Fire Ins. Co. v. Wood*, 51 N. E. 19.

The fact that a mutual fire insurance company was not licensed to do business in some of the states where losses occurred does not affect the liability of a member for an assessment.—*Commonwealth Mut. Fire Ins. Co. v. Wood*, 51 N. E. 19.

Under St. 1894, c. 522, § 49, providing that the decree of the supreme judicial court confirming an assessment of a mutual fire insurance company shall be conclusive on all parties liable to the assessment, as to the amount thereof, a member cannot complain that the amount of an assessment so confirmed was larger than necessary.—*Commonwealth Mut. Fire Ins. Co. v. Wood*, 51 N. E. 19.

Elizur Wright on Life Insurance.

To illustrate the necessity of this large accumulation, we will suppose a case of 1,000 persons at the age of 30 insuring each other for life to the amount of \$1,000 each, by the net annual premium of \$1.6972 per cent., which is that due to the age by the actuaries' rate, at four per cent. Table IV. gives, to the nearest whole number, the deaths that will occur each year, the number that will survive to pay premium the next year, the premium paid each year, the interest that accrues from it, and the balance of funds invested, the fund increased by the interest and premium of the year, and ready to pay the loss at its close, and the loss that must be deducted before carrying balance to next year. It will be perceived that the fund goes on accumulating for thirty-four years, and not till after that period do the losses begin to exceed the income. If new business had been added from year to year, the fund would have been somewhat longer in reaching its maximum, and the accession of new members continuing to make good the recession of the old ones, it would then maintain its high level. It will be perceived from the footings that the aggregate income does not prove quite equal to meet the million of dollars insured, but four of the longest livers are left in the lurch, two of them having to be

content with the premiums they themselves pay after the bankruptcy, which is owing to the neglect of fractions making the mortality a little greater than that of the table, while the premium is derived exactly from that of the table. If, all other conditions being the same, we had made the losses payable in the middle of the year in which they occurred, instead of at the end, the effect on the accumulation would have been such that the deficiency of the fund would have occurred at the end of the 55th instead of the 64th year of the experiment, and would have amounted, supposing the premiums all paid through, to \$43,641. Where compound interest is concerned, time is emphatically money.

From what we have said it will sufficiently appear, we think, that every mutual life insurance company is exposed to two opposite dangers, over-accumulation on the one hand, by which the earlier members may be defrauded to enrich the later ones, and excessive dividends, by which the earlier members are benefited to the injury of the later, and perhaps to the bankruptcy of the company. By what chart and compass can the company safely find its way between the rocks of Scylla and the whirlpool of Charybdis?

Endowment insurance, that is, temporary insurance combined with endowment, has somewhat increased, and we think with good reason. A whole life policy, on a long life which does not lead to an old age of affluence, must be an awkward thing. The premiums, during that unproductive period, are likely to come out of friends to whom the old man's life is otherwise a burden, and his policy must thus tempt them in a compound ratio to wish him out of the world as soon as possible. A policy by which a man provides for his dependants, if he should die while his life is productive, and against his dependence, if he should live till his life becomes unproductive, is a more reasonable thing and better adapted to the ordinary exigencies of our nature. The Gotha Life Insurance Bank of Germany, one of the best managed, and, in regard to the number of persons insured by it, far the largest life insurance company in the world, issues no policies on which the premiums do not cease and the amount insured become payable at the age of ninety. A large portion of its policies are payable at an earlier age. (Written in 1860.)

LIFE INSURANCE is no longer a question of expediency, but one of necessity. In the matter of life insurance a conscientious man now no longer

says, "I ought to insure my life," but he says, "I must insure my life." No longer is it a duty to be postponed until every other duty has been cared for. No longer is the life insurance premium held up until every other bill or indebtedness has been paid; because conscientious men—men of whom their fellows say they are "good men and true"—look upon life insurance as one of the very first necessities, and the payment of the life insurance premium the very first possible obligation to be attended to.—*The Ingleside.*

Expressings.

The *Insurance Magazine* of Kansas City fires this hard shot at the West: "In the East no political party has ever descended so low as to select an insurance commissioner from the criminal classes. As a rule, the East has insurance commissioners who are above stealing."

Our Dumb Animals, Boston (by the way, send 5 cents in stamps for sample copies for distribution), tells a good story of a ragged urchin caught stealing birds' eggs. The young smartly dressed woman who saw him robbing the nest rebuked the lad, saying, "No doubt the poor mother is now grieving for the loss of her eggs." "Oh, she don't care," said the boy, edging away, "She's on your hat!"

The *Insurance Journal*: The U. S. Circuit Court at Detroit held that unless it be a case involving the insolvency of the company the commissioner has no power in the law to proceed against any company except through the channels of the courts. This is of course good law, and has always been good law, but the difficulty heretofore has been that companies have not stood upon their rights but have tamely submitted to the demands of state officials until these gentlemen themselves have an idea they are omnipotent.

Referring to raids of state insurance departments on insurance companies' treasuries the *Weekly Underwriter* says they "prejudice the interests of their commonwealths." Probably nobody will dispute this. Business men, financiers, investors, all men who think, must infer from these raids a low state of morals and a spirit of hostility to capital, which must make investments unsafe and times hard in communities which place and keep such men in office. It is only natural to conclude that the rights of property are not respected in states which produce such raiding officials. Our able contemporary makes another good point when it says: "But state supervision is not wholly to blame for these products. The weakness of company managers makes raiding possible. The country needs more men of the vertebral strength of Presidents Batterson, Browne and Scott, and if company managers could appreciate that by yielding to the demands of these raiders they give rise to suspicions of weakness to hide which they are willing to give hush money, they would serve their companies to better purpose by resisting than yielding." It would not be surprising to hear of rival agents using this argument.

Good Doctrine for Underwriters.

Capt. Mohan, in his famous book "The Influence of Sea Power upon History" says—and he repeats the idea in a recent magazine article on the American navy—"the word 'defence' in war involves two ideas, which for the sake of precision in thought should be kept separated in the mind. There is defence pure and simple, which strengthens itself and awaits attack. This may be called passive defence. On the other hand, there is a view of defence which asserts that safety for one's self, the real object of defensive preparation, is best secured by attacking the enemy. . . . Such a defence may seem to be really offensive war, but it is not."

Variations in Assessment Rates.

Age 30 whole life collect-in-advance assessments vary somewhat, as shown in the following rates:

Connecticut Indemnity	\$16.93
Covenant Mutual	15.00
Excelsior Mutual	16.24
Federal Life	24.14
Fidelity Mutual	16.81
Greenfield	15.50
Hartford Life	16.57
Home Mutual	14.75
Home Security	16.90
Illinois Life	15.24
Merchants Life	13.08
Mutual Reserve	14.52
National Mutual	14.52
Northwestern [Minn.]	13.92
Northwestern [Ill.]	20.85
Preferred Bankers [maximum] . . .	12.00
Protective	15.00
Fraternal Alliance	11.52

A Pleasant Bit of Fiction.

The following is taken from an Astoria, Or., paper:

"The article on the proposed organization of a Merchants' Insurance Company, in Astoria, commented on in last week's *Coast Review*, was first printed in the *Astorian*. The *Coast Review* would perhaps not make so much fun of the suggestion thus made by Herman Wise if it knew the sequel to it. All Astoria has been in mourning for a week or ten days past over the announcement made by Mr. Wise in the local papers of his intended removal to Portland. Now, the fact is, Mr. Wise's proposed removal is the direct consequence of this insurance company. The insurance combine, after much deliberation and "resoluting" finally determined that Mr. Wise's excellent scheme must be frustrated somehow. So they

have generously offered him as an inducement to get out of Astoria a paid up policy on as large a stock of goods as he may see fit to carry in Portland for a long term of years. Mr. Wise's thrifty instinct was not proof against the temptation. The result is Astoria loses an estimable citizen; Portland gains an enterprising business man, and the insurance combine will carry a dead head on their books for some years to come—all in consequence of Mr. Wise's sensible and eminently practical suggestion."

No Failures.

Among the echoes of the last five years you may still hear the crash of banks and trust companies, and all kinds of firms and corporations, but in that dismal mass of broken props can you find the wreck of one established life insurance company? Did one fall? Nay. But did one tremble? Has there been a day when there was any doubt of the weakest company on the list? If your policy was for \$10,000 in 1893 it is good for \$10,000 now and has been every hour till now. While all other kinds of financial institutions have broken like reeds in a gale, not one man has lost one dollar in all this land through the failure of an established life insurance company.—N. L. C.

An Easy Way.

□ Probably there can be no easier way for a property-owner to assure himself of the character and responsibility of a fire insurance company than to consult the advertising pages of a reputable insurance journal. We do not hesitate to guarantee to property-owners the good character and solvency of companies advertising in the *Coast Review*; and while it is true that at times a reliable company doing business here may advertise only occasionally with us, it is equally true that wildcats and undergrounders doing business on this Coast cannot get their "cards" into this journal. What is easier and safer for the policyholder to do than to consult our advertising pages, and to investigate the affairs of a company whose card does not appear?"

Real estate agents in St. Louis are still held to 10 per cent. commission.

The Wisconsin anti-compact law has proved to be of no value, says Commissioner Fricke of that state.

Next winter will probably be favorable for a bill creating a National insurance department. The National sentiment is strong now.

The London Phoenix.

The annual statement of the home office of this old British company contains these totals: Assets, \$8,550,445; capital, \$1,344,400; premiums, \$5,574,440; losses, \$3,327,490; reserves, \$5,098,720. The Phoenix has over three million dollars invested in the United States, of which \$1,253,410 is surplus. Butler & Haldan are the general agents for the Coast.

The McMinnville Mutual, the Fire Relief Association.

Having few losses at the start—as is always the case with new insurance companies—the little fire mutual of McMinnville, Or., has been able to boast of a very small loss ratio—until quite recently. The managers have been making hay meantime in the sunshine of a temporary prosperity. But the sun isn't shining now, and the prospects are stormy. It is always thus with fire mutuals.

The McMinnville Fire Relief Association reports for the last quarter, exclusive of unadjusted claims, \$3,771.90 losses; expenses, \$1,825.54; total expenditures, not including unadjusted losses, \$4,597.54. This is for a fourth of a year. Multiplying the total by four we have \$22,390.16 for the year. The membership fee being \$3 for five years is 60 cents for one year. The membership claimed is 9,804, and the fees for one year will therefore be this amount multiplied by 60, which equals \$5,882.40. This would make the total contributions for one year, according to the experience of the quarter, \$28,272.56.

The average policy is about \$408, there being \$4,000,000 liability and 9,804 risks. The cost in this mutual is greater than in stock companies, and there is in the mutual further liability to assessments. For example, on a five-year dwelling policy the stock rate would be one-fifth of \$2.25, annually. This is less than the McMinnville mutual's cost. The Fire Relief Association insures, almost exclusively, unexposed farm and suburban buildings. The liability would therefore be, in this case, about four to one on dwellings and barns—or \$3,200,000 on dwellings and \$800,000 on barns. The annual cost of

this insurance in stock companies, at \$2.25 term rate on dwellings and \$6.75 term rate on barns, would be as follows:

STOCK RATES.			
Risks.	Pro Rata.		Total.
Dwellings .	\$3,200,000	\$0.45 per \$100	\$14,400
Barns . .	800,000	1.35 per 100	10,800
Total . .	\$4,000,000	\$0.63 per \$100	\$25,200

MUTUAL RATES.			
Risks.	Pro Rata.		Total.
Dwellings .	\$3,200,000	\$0.50 per \$100	\$16,143
Barns . . .	800,000	1.51 per 100	12,129
Total . .	\$4,000,000	\$0.70 per \$100	\$28,272

The latter figures are based on the experience of the Fire Relief Association for one quarter, according to its quarterly statement. It is not improbable that the expenditures for the year will be even larger, for losses accumulate as the new insurer grows older. The present cost being larger in the mutual association than in the stock companies, to say nothing of the contingent liability for unexpired risks, the scheme hasn't a leg left to stand on. To remain a member is to deliberately invite special assessments and litigation.

If the members had carried stock insurance instead, they would have saved during the last quarter \$768.14, which is at the rate of \$3,072.56 a year. There is still another way to look at it.

For an unexposed dwelling under a \$400 covering, the total premium would be \$9, of which the agent receives \$1.35 or 15 per cent. The mutual charges \$3 for membership, \$2 of which goes to the soliciting agent, and \$1 for issuing the certificate. This would be 33½ per cent. commission, based on the stock company rate.

Taking the Fire Relief Association's last statement, its quarterly report shows a loss ratio of 67.5 per cent. and an expense ratio of over 28.5 per cent. The total per cent. of cost to members is therefore as follows, on the basis of stock rates:

Loss ratio	67.5 per cent.
Office expense ratio . . .	28.5 " "
Solicitors' and certificate fees (1-5 of 33½ per ct.)	6.7 " "
Total to members . . .	102.7 " "

We shall be pleased to have some advocate of mutual fire insurance explain to us the advantage of insuring with the Fire Relief Association. Where is the saving? The cost now is nearly 3 per cent. more than in a stock company; the indemnity of the mutual is vastly inferior; and the member of the mutual is liable to extra assessments, and may have to accept a partial payment of his own claim, besides.

Connecticut Indemnity Association.

A few days ago this Waterbury assessment association was unmistakably insolvent. Now, through the lenity and delay of the supreme court of Connecticut, and without adding a dollar of money, it is legally solvent. Commissioner Betts, who petitioned for the appointment of a receiver, says the agents of the association have been buying up death claims for a nominal percentage—20 to 35 cents on the dollar. In this way, assisted by rumors of insolvency and a receivership, with a little expenditure of money the managers have so reduced the liabilities that a small surplus is shown. The association is bankrupt in reputation but not in law. It did not raise the \$95,000 required by the court to make good the impairment, but sealed down unpaid claims to that amount. What was that but repudiation?

The money with which the death claims were purchased at about 30 cents on the dollar, through an attorney who "represented himself," was taken from the "general fund." The frightened widows and orphans were willing to accept almost any offer. Claimants, in Connecticut, within easy communication with the insurance department, were not approached.

Judge Baldwin gives the present financial condition of the association as follows: Assets on hand, \$121,392; special assessment proceeds, \$19,500, making a total of \$141,392. Total liabilities, \$277,063; from this, \$136,475 is deducted for death claims bought up for nominal amounts; leaving the actual legal liabilities \$135,588. The cancellation of a note reduced this amount \$10,000.

Policyholders who lapsed pending the petition for a receivership can be reinstated, by paying the assessments, the company being enjoined from taking any advantage of such lapse or forfeiture. Any insurable policyholder who re-joins, under the circumstances, however, would be a curio.

Liverpool & London & Globe Insurance Company.

At the recent annual meeting of this great British office the directors submitted the revenue accounts for the year and the balance sheet on December 31. We learn from the balance sheet that the assets of the company are now \$51,180,665, an immense sum indeed. The net surplus is \$17,189,690. Adding the capital, the surplus as regards policyholders is \$18,417,890. In both net surplus and policyholders' surplus the Liverpool & London & Globe leads all fire insurance companies. Its rank is No. 1. The gross fire assets are \$25,445,054, the remaining 26 million assets being offset by the liabilities of the life department. The fire premium income last year was \$7,703,352, of which the United States department contributed \$5,194,546. The Pacific department, under the efficient management of Chas. D. Haven, assisted by C. Mason Kinne, has been producing excellent results, notwithstanding the rate-suspension period. The department's premium income in 1897 was in round numbers \$285,000, with a loss ratio of only 42.7 per cent. There is good underwriting as well as choice business contributing to so favorable a percentage in a year when rates were open for several months.

Niagara Falls Meeting.

The Western Union meeting last month was successful in many ways. The discussions were marked by good temper and little friction. The non-intercourse rule, as adopted, provides that union companies can not be represented locally in an agency whose head is a manager unless such official regards all the union rules as to commissions, rates, etc. A new gasoline rule was adopted, refusing consent for use of gasoline lights, except when

the vapor is generated outside the building, or when generated and introduced through permanent fixtures without gravity pressure, providing the tank inside premises has a capacity of not more than one gallon, such permit to be given under present restrictions as to gasoline stoves.

The large cities committee was given authority over rates, commissions, etc., in Cleveland, Chicago, Cincinnati, Louisville and St. Louis.

President Eugene Harbeck declined reelection. President George T. Cram of the American Central, St. Louis, was elected president of the Union for the ensuing year. Secretary William Trembor of the German of Freeport was elected vice-president. Manager Joseph A. Kelsey of the Western department of the Aachen & Munich, Chicago, was elected secretary.

Catabolism in Fire Underwriting.

What is the matter with American fire underwriting? Why these destructive rate wars? The companies have a morbid appetite for city business, notably in New York; and there are varieties of hazards which they crave as a fever patient craves iced water. Some men think that these feverish symptoms in fire underwriting indicate the existence of a serious disease. Other men believe that these rate wars are part of a conspiracy to force the smaller companies out of business and thereby destroy competition. Rate wars can thus be made to bring about the same results as anti-compact laws. They kill competition and create a virtual monopoly.

But we prefer to look upon rate wars—especially the recent rate war in New York—as merely the symptom of a morbid appetite for big things—for a big premium income and especially a big city business. Similar symptoms may be noted in many large cities. This morbid appetite can hardly be confounded with hunger, for the latter gratifies appetite with wholesome food only. Since the Chicago and Boston conflagrations, city

business in large quantities has not been considered wholesome underwriting food. True hunger, too, is dispelled by fright and disgust; and a rate war is both frightful and disgusting.

A distinguished physician, in a recent magazine article, defines hunger as something felt when the catabolic system's activity is in excess of the anabolic processes; the catabolic being the tearing down, lessening, of body tissue and the anabolic the building up, increasing, of tissue formation. But whatever the ultimate cause of the sensation is, it never occurs to any pronounced degree, *except in disease*, unless the stomach is pretty well emptied, says this learned man. Does not this statement support our contention? The fire underwriters of New York city have been afflicted with catabolism. Nobody will contend that the underwriting stomach was nearly empty nor in any need of the particular kind of food to be gathered in the big blocks of New York. The appetite was morbid, and the pronounced sensation of hunger occurred as the result of catabolism, a disease not necessarily serious, and in this case only a pathological condition of philomegaphy, to which megalopolitan fire underwriters are peculiarly subject. And there are others.

IN fire insurance why should not the expense be treated as a loss as well as the amount paid a claimant? Such a practice in making up accounts would prevent a good deal of misunderstanding and misrepresentation by "secular" editors and callow legislators. Instead of "losses" the term "claims" or "fire claims" should be used, and the word "losses," if employed at all, should include expenses as well. Ninety-five per cent. loss ratio, the real average experience, is quite different from sixty per cent. loss ratio, which to the average editor and legislator implies a profitable balance of forty per cent.

AN organ of fire mutuals asks, Why can not a fire mutual succeed as well as a life mutual? and reminds us that nearly

all the large life insurance companies are operated on the mutual plan. There is no good reason why an ably managed fire mutual could not succeed if operated on the same plan—namely, the collection at first, in advance, of two or three times as much as required for losses and expenses. Such a fire mutual would have the support of the *Coast Review*, and would be permitted to advertise in its pages.

Co-insurance.

The New England Insurance Exchange proposes to give reduced rates if 80 per cent., 90 or 100 per cent. of insurance is carried. In other words, reduced rates for insurance at wholesale. This is the best way to present the clause to property-owners. It is only just that the policyholder is more likely to have only a partial loss or should have lower rates than the policyholder whose loss is likely to be total. The Exchange has also under consideration a proposition to have builders place value on every building throughout New England, as in Boston. Such a practice would put an end to valued policy bills.

The Demand Upon Local Agents.

ADDRESS BY C. H. WOODWORTH, AT PUT-IN-BAY,
BEFORE OHIO ASSOCIATION OF LOCAL AGENTS.

The local agent has a peculiar, important and complicated vocation. He is a simon-pure middleman and a genuine paradox from a legal point of view. As a matter of law he represents his companies; as a matter of fact he also sustains a fiducial relation to the property owners who are his clients. There is a demand upon the local agent that he furnish his customers a fair contract at a reasonable price, as well as the obligation to give his companies good risks at rates that will pay a dividend upon the capital invested. In the past when there was less competition and perhaps less greed in business generally; when companies were satisfied to do well enough and were not so often possessed with the ambition to beat the other fellow by any means and lead them all if possible; when companies required their local agents to inspect risks, make rates, and settle losses, as well as secure business, a company's representative was necessarily more than a "premium

puller." Under the conditions then prevailing he was able to discharge, with reasonable satisfaction to all concerned, the important trusts confided to him by his companies, and the friends and neighbors who came to him for insurance.

Modern appliances and facilities and up-to-date methods have relieved the local agent of some of the duties formerly devolving upon him, but his responsibilities are none the less anomalous, his obligations no less onerous. The duties left to him are more complicated and difficult to discharge than in the old days and the evils that threaten his business existence are more powerful and aggressive than ever before. The local agent, however, is not the only factor in the business that is confronted to-day with menacing conditions. The demagogue and ignoramus, calling capital an enemy rather than a friend, vie with each other in some of our states in the enactment and execution of laws and rulings against insurance companies that make self-respecting train robbers blush for shame at their own petty "hold-ups." The thinking citizen also appreciates the situation, knowing that commercial prosperity requires insurance against fire and that in the end all unnecessary expenses loaded upon the business are borne by the property owner.

This unnatural and unfortunate state of affairs in our business prevails to such an extent that its three component parts—companies, agents and assured—have lost much of the confidence in each other which should exist. Friction and distrust seem to be increasing rather than disappearing. Too many of our citizens are calling the companies "robber corporations." Too many companies are saying that local agents cannot be trusted. Too many local agents are fearing the instant destruction of business, gathered through years of hard work, by some company because of its enmity against some other company or companies; or are seeing their business rapidly decrease from the depredations of competing forces, favored as they believe, by the companies. The responsibility for the present unsatisfactory conditions in the fire insurance business is a divided one—companies, agents and citizens are all blameworthy. As I can think of nothing more profitless than an attempt to measure out the blame to each, I pass the question with the remark that I plead guilty for myself and assume to do so for my fellow agents.

To judge our association intelligently a line must be drawn between its action and the

words and acts of its officers and members in their individual capacities. My views and those of others may or may not be those of the organization. If they are not, they have only the weight of our personalities, and the National Association of Local Fire Insurance Agents is not responsible in any way for them. If attention is called to the matter and if it is of enough importance to demand public disapproval, our executive board will promptly disown or repudiate anything said or done in the name of the association which is contrary to or is not covered by its official action.

In the third paragraph of the platform we approve and promise our support to "systems of rating and inspection adapted to local conditions which minimize the fire waste and reduce the cost of insurance." As the right to fix rates is primarily vested in the companies this paragraph does not pledge us to take the initiative. It indicates our disposition, however, and promises our assistance in work of this kind.

The sixth plank of the platform condemns multiple agencies and at the Detroit meeting the grievance committee was instructed to compile statistics upon this subject for the purpose of placing before our membership more definite information regarding this evil and the companies which practice it. To the impatient reformer this may seem too moderate, but consideration will satisfy reasonable men that it would have been unwise to have taken more aggressive action. In the first place companies generally claim the right to pass upon the question of their representation. While it is quite in order for an agent to ask for a sole agency and decline or resign a company which does not grant his request, it would be likely to excite antagonism if the association should demand that every company be limited in all places to one, or even two or three agents. Companies generally do not approve multiple agencies nor employ them. Those which appoint them usually offer the excuse that they are compelled to do what the other fellow does. And secondly, this evil has been to some extent the outgrowth of natural causes, fostered often by the greed of local agents who wish to represent all the companies and to do all the business in their respective territories. Again, while all will agree that in most localities one agent is preferable, there are perhaps some places where two and possibly more are desirable or necessary. This makes it the more difficult to adopt a national enactment

on this subject. The multiple agency disease did not become contagious and virulent until a lack of profit in the business reduced the supply of insurance capital below the demand. The present surplus of capital and the probable disappearance from the business of the "preferred class" of risks are two indications which encourage the belief that this evil has already passed its zenith. If the agents in any locality who are opposed to multiple agencies will get together and after a careful study of local conditions will take a moderate and reasonable course in opposition to them, invoking the aid of their field-men and companies and such assistance as our grievance committee can render, they will be able, if patient and persistent, to eradicate or at least mitigate this evil.

ECHOES.

Insurance Commissioners.

If the fraternal element is strong enough to carry the assessment element on its back, well and good. Again I beg you to observe that I am not decrying assessment societies when I explain their acknowledged deficiencies. Their central idea is honest and wholesome, that men should combine to bear one another's burdens. The benefits of the system are obvious and immediate, while its evils at first appear a long way off.

It is true that the benefits which it renders to those who die early may be counterbalanced eventually by the betrayal of those who are no longer insurable when their societies go to pieces, yet those benefits have been rendered nevertheless, and rendered mostly to the families of those who could not have been persuaded to insure in any other way. Even those who are finally betrayed have mostly no right to complain, for they also could usually not have been persuaded to take the benefit of a sounder system. If it be said that the assessment system thrives chiefly among the ignorant and the prejudiced, it may be answered that no system can be wholly bad which persuades the ignorant and the prejudiced to insure their lives, even precariously and for a short time.—*Actuary McClintock, Mutual Life.*

The states unfortunately do not confine their legislation and scrutiny to questions of solvency with incidental inquiries as to methods. They endeavor to do many other things. In doing so they load the companies with expenses and restrict their operations. It is to the interest of the public that sound companies

should be multiplied. The states have legislated much in ways which interfere with the formation of companies and which burden unduly the companies which struggle into existence.

I am at a loss to see merit in the course generally pursued by the several states in taxing premiums and in levying other burdens upon the companies under the head of license fees, occupation taxes, etc., etc.

If it is supposed that these taxes are borne by the companies they are excessive. The companies expect to make an underwriting profit of from three to five per cent. Sometimes they do better; often they do worse. If, now, three per cent. or five per cent. is a normal margin of profit, by what logic is a tax levied on premiums which amounts in some states to one-half of one per cent. and in other states to two and even three per cent.? Is it right for the state having no partnership in a business undertaking and no financial responsibility for its transactions to take from it a tenth part or a fifth part, or all or even more than all of its profits? If the states should tax farmers or other producers on such lines what would be thought of it? As a matter of fact, however, the companies do not pay the taxes. They endeavor to load their premiums enough to defray them, and the burden falls upon the insurance consumer.—*President Seward, Fidelity & Casualty.*

I am sure no one will grudge me a paragraph in praise of the benefits which life insurance has conferred during the past twenty-seven years. The companies have, during that time, received from policyholders over three thousand million dollars; they have paid over one thousand millions in death-claims, and nearly as much more in endowments, annuities, dividends, and surrender values. It will help us to appreciate the significance of these figures if we compare them with others which more strikingly impress the imagination.

A third of a century ago a terrible civil war raged in this country for four years. The number of deaths in the Federal armies is officially stated to have been over 350,000; the national debt at the close of the war exceeded twenty-seven hundred million dollars; and the government has since paid in pensions over twenty-one hundred millions. The debt was so great that the nation's ability to pay it was openly questioned, and our pension legislation has been the most liberal the world has ever seen; yet, since 1871, we have paid out for life insurance more than the amount of the nation-

al debt when at its highest point, and the payments of the life companies to their members have nearly equalled the disbursements of the government on account of pensions.

The nation poured out blood and treasure like water, and laid a heavy burden upon posterity, that it might insure its own integrity and perpetuity; under life insurance individuals have freely paid these vast sums that they might insure the integrity and perpetuity of their families, and that their posterity might be free. The patriot who gives his life for his country and the man who insures his life for the protection of his family alike link their being with the future by unselfish devotion to present duty, and though they perish outwardly, they still live.—*President McCall, New York Life.*

Wherever the danger of fire is greatest there the insurance company is most needed and there its activity is keenest. In France and Spain, in Italy, and in the Spanish settlements of the New World generally, almost every building is a fortress constricted as much for defense against an enemy as to prevent its destruction by fire.

Where such buildings exist fire insurance languishes, and while merchandise stored in such structures is usually protected by insurance the buildings themselves are frequently left uncovered, the danger from fire being too remote to create anxiety concerning them. With the exception of Great Britain, it will appear from what has been stated that all of the nations have passed laws for the government of fire insurance companies, but nowhere, except in the United States, do we find any law requiring the company to pay more than the actual loss sustained, which loss must be established by proof after the fire. The United States stands alone, therefore, in enacting laws which enable the assured to realize a profit from a disaster.—*Manager Bedall, Royal.*

A dividend system which is true to the purpose of mutuality, which makes it a fact and not a false flag, must put each member at the end of the year in the same position as to his premium payments that he would have been at the beginning of the year had exact foreknowledge been possible. If we knew exactly what mortality, expenses and interest are to be we should know to a cent what the yearly premium must be; we should exact only that, and the problem of mutuality as related to cost would be eliminated. As these things

are of annually changing experience and can be known only at the end of each year, only at that time can we know what was the exact and necessary premium for that year. Then we do know. Mutuality has promised to take only that exact and necessary premium—to take from each only his exact share of the whole cost—which can be accomplished only by returning to the member at the end of the year, the sum by which the assumed or nominal premium paid is proved to have exceeded the exact premium necessary to meet his share of the year's experience in the several elements of cost.—*President Greene, Connecticut Mutual Life.*

The words "insurance" and "assurance" have each, and both, been applied to the science of life contingencies. Much ink has been spilled by able insurance philologists in the advocacy and defense of each, and among some of the journalists of modern times the controversy has been waged with pens that scratched. "Insurance," we believe, nowhere occurs in the Bible; but in Deuteronomy we read these words: "And thou shalt fear day and night, and shalt have none assurance of thy life."—*President Hegeman, Metropolitan Life.*

The net annual profit realized by these companies upon their United States business, as shown by their sworn statements filed with the various insurance departments, is nearly double the net earnings of home or United States companies. This is principally accounted for, through the fact, that they have no presidents, secretaries, or other general officers in this country drawing large salaries, which is chargeable to their United States business, and also that a very large portion of their clerical work is done in their home offices, where labor is cheap, competent bookkeepers being secured for practically one-half what it costs to secure the same class of help in this country. Their United States business is conducted simply as agencies, the business all being reported to their respective home offices in Europe or elsewhere.—*Commissioner Dearth.*

Some little knowledge of business methods applied to Mr. Bedall's statement of legal prohibitions warrants me in declaring to you that rates are lowest—as a general statement—and the business is done most satisfactorily to the public where legal hindrances are fewest and law and administration offer least obstacles to the principles and methods of fire underwrit-

ing voluntarily adopted by fire underwriters.

It is common in the United States for American companies to compete not only with other companies, but with themselves. I am told that in one American city one American company has one hundred agents, each telling people how much better and cheaper he can procure their insurance than anybody else. In other words, the due, normal and wholesome competition which we rely upon between companies has been rendered abnormal, phenomenal and disgusting by the creation of an army of suckers who are all endeavoring to make their living out of the premium payers to one company, when one agent would do the work better. Multiple agencies are absolutely unknown to the business methods of foreign companies, except when they have had to come into competition with some American companies upon their home field.—*E. R. Kennedy.*

When we use the term re-insurance reserve we have in mind, or should, the indebtedness of insurance companies to their policyholders for unearned premiums and not the sum necessary to reinsure the business of the said companies. Some underwriters, perhaps misled by the phrase, the reinsurance standard, claim that they should be debited with no sum on this account beyond that required to reinsure their whole business with a solvent company. To this theory there are two objections:

First—Reinsurance does not relieve a company from its obligations to its policyholders, nor from any portion of these obligations. The debt to the policyholder is measured by the amount of the premium unearned, and cannot be abated by any considerations of good-will or expense. Hence the amount that a third party might be willing to carry the risks for does not and cannot determine the liability of the original underwriter to his client. Second—As none could determine in advance the amount that would be required, the theory could not be applied. One wishing to reinsure an unprofitable business would find his bonus measured by the inexperience or greed of the purchaser. The good-will of certain long established companies that have a carefully selected business is worth nearly as much as the sum of their unearned premiums. Hence, were the cost of reinsurance the test, this liability would be set down in the statements of many old-line companies at an amount largely below the sum actually due the policyholders, and therefore below the debit now acknowledged.—*T. S. Chard.*

This question is one which must be decided from the view-point of the purpose for which the [re-insurance] reserve is to be held, and this purpose must be stated as a premise. If it be that of making a financial statement or exhibit of the company's condition, showing its assets and liabilities, there can be no doubt that it should be computed on the basis of what the company owes its policyholders, and that the company should have in hand at times that pro rata portion of each premium which corresponds with the unexpired time of the policy, whether the rate be sufficient to carry the risk or not.

In the absence of any stipulation in the policy that the assured shall have the right at any time to demand its cancellation and a return of premium on the agreed basis, and providing also that the company or a receiver may cancel at any time and tender the pro rata unearned premium, there would clearly be no right whatever to cancel. The right does not exist at law; it is a stipulation of the contract and grows out of the contractual relation of the two parties and not out of their statutory or common law rights. This being the fact, reference must be had to the contract itself, which alone provides for return of premium. And here there can be no question as to the liability of the company. The policy expressly states that the company must return the pro rata unearned premium if it elects to cancel. Therefore, in a case of insolvency a receiver must return the premium on this basis. Clearly, then, so far as a state insurance department is concerned, there can be no other basis for computing the reserve.—*President Moore, Continental.*

If it is possible for the managers or presidents of all the life and fire insurance companies of the United States to agree upon anything they should certainly do so on this greatest of all subjects—national supervision. I trust it will still have the earnest support of a majority of the insurance press. It should be most earnestly advocated first by the presidents of the three great New York companies, because they have larger interests in their charge, and, so far as I am informed, the presidents of all of them are among its warmest and strongest friends. These should be followed by the managers and presidents of the other companies, and if they should fail at any stage then the agents of all the companies should take up the battle, and if they are not

successful then they should take their policyholders into their counsels, and with these allies success will be assured. The policyholders are the ones who will be especially benefited, and it is the duty of the officers and directors of all these various companies to use their best efforts to secure national supervision for the benefit and better security of these millions of policyholders.—*President Pittison, Union Central Life.*

Northwestern Fire Underwriters.

I also desire to call your attention to a suggestion which was recently made regarding a review of the papers which have been read before the association since its organization and the publication of their salient points in book form for its benefit. When we recall the many brilliant productions, not only from the members on the all-important question of fire insurance in its many phases, but from others learned in law, physics and trade, as related to that subject, it must be apparent that such excerption would produce a most valuable and interesting work, and I am convinced that it might be made the source of considerable revenue to the association as well.—*Leuchan.*

I know of no language sufficiently severe to properly stigmatize those so-called independent underwriters who skulk on the outskirts of tariff associations and take advantage of that good judgment which prompts the companies maintaining these associations to prefer the lesser evil of piratical depredation to the greater evil of general demoralization. The pretense of superior knowledge and experience assumed by these people is hollow and hypocritical, for they fully realize that their ability to secure the rates which their pretended superior knowledge and experience indicate as being necessary to adequately provide for the liability assumed, depends absolutely upon the circumstance that the great majority of the companies believe in co-operation, and so believing, maintain tariff organizations.—*Janvier.*

The pet gold brick of the manager is "protect our business," and it finds a ready sale when offered to a weak or unscrupulous agent. It is usually thrown upon the market in calamitous times, and emanates from one who is either too busy holding some other company's business or whose lethargy dictates that he avoid the lines of resistance. These are but few of the gold bricks that oppress our business and will deprive us of the advantages of an early millenium.—*Townley.*

As between the general agent and the special agent, it lies in the very nature of the case that the latter should go out from the manager's office with a clear conception of not only the wishes of his principal, but also of his theory as to the work, for the execution of which he goes to the field. This is, of course suggested under the assumption that the direction of the special agent, so far as he needs or receives direction, proceeds along the line of a settled theory. Pity the field man who is tossed on the billows of uncertainty and perplexity, under vacillating direction, finding it necessary on every return to headquarters to square his plan as to methods with the new bearing of the office vane. To understand his commission, in order that he may faithfully and successfully represent the office in the field, is the basis of the field man's employment. It is not for him to question the wisdom of the general policy of the general office. —*Russweiler.*

Much has been written and said of the unjust taxation of insurance companies. A tax, in its very definition is a burden, has ever been odious, and a popular subject of attack. It may be conceded that no other business is so heavily taxed, that insurance companies are unjustly discriminated against, that such tax is grossly disproportionate to the supervision and protection extended, and is almost entirely for revenue only. It has been ably contended that the taxes imposed upon insurance companies are an utterly indefensible imposition from any point of view. Admit it all! and yet the fact remains that there is no business that can so readily protect itself from the effect of excessive taxation as the business of insurance. It is a business of averages and ratios—averages of time, place, losses, expenses and rates. An increase in taxes, no less than an increase in losses, means an increase in rates. If a tax is a burden, it is a burden on *him who pays it*. Who then, pays this unjust tax? Who, but the public! —*Van Dyke.*

The outsider recognizes that there is more or less friction between a portion of the insuring public and the insurance companies. The fact is that friction exists, and the question is, How shall it be removed? It cannot be done at once. It can be lessened. The outsider likes to deal so far as possible with some one who lives in his own state. He resents having a man come from another state and say what can and what cannot be done. He will often approve if the matter is handled by a

citizen of his own commonwealth. The public cannot be driven. It can be led. Who so wise a leader as the field man who understands all the conditions? He may lead under instructions, but he ought to be the visible leader. The outsider has an idea that so far as possible the manager should avoid the possibility of becoming a direct irritant to the insured. Magnify the organizations of field men and minimize the organizations of managers so far as those administrative details affecting field work are concerned. This strikes the outsider as a sensible rule. Let the managers lay out a line of policy, and then as far as that policy affects field work put its execution in the hands of the special agents. Make the field man feel that he is responsible for results. It will make him a stronger man and will give him a larger standing in his territory. The business will be improved. Men are not developed by an automaton policy. —*Oviatt.*

The commercial world in this day of excessive competition may not improperly be criticized for its demand that the insurance company and the bank do business upon such a margin of charge for service rendered that both must go beyond the pale of business safety and undertake dubious and doubtful experiments in order to gain dividends for shareholders. There is no legerdemain in corporate business methods by which bad financiering in individual management becomes good in corporate. And therefore when the man of commerce exacts of the insurance company and the bank payment for the privilege of transacting his insurance and banking business for him instead of evidencing a willingness to pay for the same, he introduces methods which are contrary to all the rules that he would, if a safe man, apply to the conduct of his own affairs. —*Eckels.*

Three years ago it was the general opinion—where any opinion had yet been formed—that not only were cities free from any responsibility for their electrical conditions, but that should they assume such responsibility by attempting such control, they could then be held accountable for whatever might happen. The absurdity of such an assumption is obvious to any thinking man, but then most men do not think. They are educated only to the extent of adopting other people's opinions. I have had the unanimous vote of a city council cast against my proposition, owing to an opinion delivered with owlish solemnity by some legal bucolis who had not the faintest perception of what I was getting at —*Wentworth.*

Utahwise.

The agents of the Aachen & Munich have had the pleasure of a visit from Special A. W. Thornton.

Special Agent Chas. R. Gilbert spent a day in Salt Lake on his way to California, where he goes to take charge of the southern field for Manager Edwards.

M. H. Merrill is a caller of the month, in the interest of the North America. Special Agent Merrill has a large field and consequently does not come often nor remain long.

A. K. P. Harmon, district superintendent of the Connecticut Mutual Life, has been spending several weeks in Salt Lake in the interest of this excellent company.

Special Agent R. E. Hall, of Denver, is making his initial visit to this section in the interest of Manager Edwards' companies. Mr. Hall has removed the Caledonian from the agency of W. E. Smedley & Co., and transferred the company to McGurkin & Co.

Manager T. Edward Pope of the Pennsylvania has been visiting the Mormon contingent of his department during the month, accompanied by Mrs. Pope. Manager Pope expresses himself as well pleased with the prospect of his company in this state, and the outlook for business in general.

Special Agent J. H. Morrow has been putting an extra polish on the face of the Sun, and as this is a new field to him, and his first visit, he has been planting. It may dawn on him at some future time, that it requires water as well as Sun-shine to make the business grow in this state.

Capt. Donnell is smiling on both sides of his face. The reason therefore is an assistant to take charge of the outside work. Cap. has all he can do to keep matters in the office moving along smoothly, and a well posted surveyor was a necessity at this branch of the Board. Mr. Sutton seems to be just the man for the job.

October 1st gave us a good hard snow storm, and it is to be presumed the "City Fathers" will now cease their efforts to increase the water supply of the city of Salt Lake to what is absolutely necessary. It is the same old story every year. During the months of August and September the water supply in the canyons is so low as to threaten a famine, and committees are appointed to ascertain if the supply cannot be increased; but as soon

as the immediate necessity is passed, the matter is dropped for another year. This laxity on the part of the authorities will result some day in the destruction of this city. It is a matter that it would be well for the Board to investigate, and compel action on the part of the city by increasing rates if necessary to forcibly impress on the dear public the very serious condition the city is in during the season of low water.

"HATE."

A REBATE CURE is offered by Frank E. Hartigan as follows: "If the application or policy were made to contain the provision that in the event of a rebate having been given in any form the policy would be forfeited, any time while in force, upon proof of the acceptance of a rebate, and the reserve on the policy to go to the person furnishing evidence, a rebate on a first premium would be no inducement to the assured. While some business men will accept a rebated policy now in a good company, they have little confidence in the rebater, who could profit later by furnishing the evidence of a rebate, and thereby beat the assured at his own game. Under such conditions an applicant would not dare accept a rebate; neither would an agent dare suggest it. A policy of life insurance would then be as a government stamp, which has a fixed value and no discount. I offer these suggestions to all parties interested as a solution of this ever-perplexing problem of rebating."

THE "new President," it appears, appoints the American insurance commissioner, according to the *Policyholder* of England. Some of us regret that he doesn't appoint, instead of the governor of the state. Our English contemporary says:

"People in this country have no idea as to the stupidity of the American system of insurance legislation. Each state of course makes its own laws, and has its own insurance commissioner pitchforked into office by the new President, for of course it is a political appointment, and whether the man knows anything about insurance, or is in any way qualified for such an appointment, matters not so long as he is on the right side politically. The result is most harassing and irritating, for the superintendents frequently degenerate into official blackmailers."

THERE is talk of a new life insurance company in Milwaukee, with Wm. A. Fricke, now insurance commissioner, as president.

The lack of vitality in mutual fire insurance is proved by the feeble support given to papers advocating that kind of indemnity. The *Policyholder* of Ozark, Mo., for example.

LIFE AND CASUALTY NOTES.

THE American Life Ass'n of Syracuse, N. Y., is in the hands of a receiver.

THE National Fraternal Union of Cincinnati may pay 5 cents on the dollar.

THE Columbia Life, Indianapolis, new, old-line, \$200,000 capital, organizing, with C. E. Dark prospects.

AN English accident office has just paid \$5,000 for a fatal case of blood-poisoning caused by the bite of a horsefly.

THE National Life, of Hartford, is hearing from kicking policyholders. Application for the appointment of a receiver is talked of.

ADMIRAL SCHLEY'S prize-money will come in handy when he receives notice of the extra assessments levied by the Royal Arcanum, of which he is a member.

IN *Howe v. Mutual Reserve Fund*, on trial at Clinton, Ia., for \$10,000, the court ruled that the rate-raise was illegal, and that the association must pay. The plaintiff accepted the compromise offer of \$4,500.

HEAVILY insured men seem to drown often. Here is another instance. Charles Spinks, of Newport, O., drowned on September 13. was insured in the Equitable for \$100,000 and in other companies for \$50,000.

THE sovereign grand lodge of Odd Fellows has resolved against any more licenses to do life or accident insurance business. The right to use the name of the order is to be prohibited hereafter. This sensible action has been a long time coming.

THE Scottish Rite, Knights Templar & Master Masons Aid Association of Dayton, O., is reported to be on the verge of dissolution. It owes \$70,000 for overdue death claims, and has only \$4,000. The last assessment brought in only \$5,000 or a little over a third. Death claims have been paid at the rate of 50 cents on the dollar: and if the Connecticut Indemnity can do this and go on, why shouldn't the Scottish Rite, etc.?

THE Foresters will hereafter insure women at the same rates as men.

STREET-CAR accidents are decreasing according to the number of passengers and miles.

THE Granite State Provident Association, assessment, hopes to pay 25 per cent. of its claims, says the assignee. Brokers are offering 12½ cents on the dollar.

WHEN DID rebating originate in life insurance? Some say, when life insurance originated. Anyway there was an anti-rebate organization a quarter-century ago.

THE PROVIDENT SAVINGS is advancing right along under President Scott's management. Col. John W. Vrooman has joined the society as agency superintendent. Mr. Vrooman is a prominent New Yorker.

ENDOWMENT insurance is increasing. Every life policy should be payable say at age 80. We all expect to live that long; few of us will live longer; and the hope of collecting the face of the policy sometime in life reconciles us to any possible inconvenience in the payment of the premium.

THE discussion by several of our exchanges, of the question, How much life insurance should a man carry? reminds us of a little story. Several people tried in vain to satisfactorily answer the momentous question, How long should a man's legs be? They finally agreed to leave it to Mr. Lincoln. The question was put to him, and his reply was characteristic. A man's legs, he said, should be long enough to reach to the ground. A man with dependents should carry as much life insurance as he can carry—and not a cent more.

THE New England Mutual Accident Association has just been examined by the Massachusetts department. The assets are found to be \$65,744; the liabilities, not including contingent claims, are \$88,806, or \$23,000 more than the assets. The resisted mortuary claims amount to

\$61,500, or about $2\frac{1}{2}$ times the annual death claims. Three claims, face value of \$15,000, were settled for \$6,100. As long as the association can keep resisted claims in court, it is not to be considered insolvent, seemingly, though disbursements exceed income and the assets are decreasing. The department gives the association a favorable send-off, which we fancy we shall have occasion to refer to "later on."

Last of the American Fraternal League.

This long moribund Los Angeles humbug, so often exposed in these columns, is no more. The few remaining members, willing or unwilling, have been transferred to the Fraternal Mystic Circle of Philadelphia.

Mutual Reserve Fund Trouble.

All is not serene with the management of this New York assessment association. The president and the vice-president are said to be at outs. The dissention includes nearly all the officials, and this small black cloud on the horizon of the Mutual Reserve affairs seems prophetic of a tempest. There are two distinct factions, for and against the president. Commissioner Betts, of Connecticut, still withholds a license. The business of the association is known to be on a decline, and according to a New York paper there is talk of re-insurance.

The Proposed Hanover Deal Abandoned.

Price, McCormick & Co., New York brokers, who tried to buy a controlling interest in the Hanover Fire Insurance Company, have withdrawn their offer. On October 7 Price, McCormick & Co. sent a letter to the stockholders of the company, as follows:

"Owing to the opposition of the board of directors of the Hanover Fire Insurance Company, to the plan for the benefit of its stockholders set forth in our circular of September 14, we have withdrawn our offer to purchase the stock, and hereby beg to notify you of the withdrawal of our offer."

"Plan for the benefit of stockholders" is good. The stockholders were wise in

declining to walk into the parlor of these brokers. The plant of the Hanover is very valuable, aside from the large surplus; and any offer made by these or other go-betweens would not equal the real value of the stock.

Germania Life Insurance Company.

With increasing assets and insurance in force, with ample surplus in excess of the average percentage, and with up-to-date policy forms not excelled in variety or liberality, the Germania Life Insurance Company can safely challenge comparisons with any company, large or small.

The Germania Life is a well established New York company, admirably managed, prosperous, growing, sound throughout, and with a large number of the most representative business men in the country among its policyholders. It has some \$24,000,000 assets, of which \$2,600,000 is surplus. It wrote nearly \$12,000,000 new business last year, which was a large gain; and it will write more this year. It had about \$74,000,000 in force at the beginning of the year, and we have reason to believe that the insurance in force at the close of the year will be much larger. The Germania Life is meeting the wants of the insuring public.

Managers W. A. Jacobs & Son, of the Coast department, are making a success of it. They have built up a good business, in this field—partly through their own energetic and cleanly methods, and partly through the good reputation of their old reliable company.

To Prevent Overinsurance.

Massachusetts now has a law requiring the companies to return the excess premium with six per cent. interest, in the event of an adjusted total loss less than the insurance. We should rather say that this comparatively harmless law is an act to encourage overinsurance, since, in the event of inability to collect the overinsurance the insured can collect all his excess premiums and a good rate of interest besides, not only from the company incurring the loss but from other

companies previously carrying the risk.

Nobody knows better the true value of the property insured than the owner himself, and if he deliberately overinsures he does not deserve the mandlin sympathy which is expressed in this legislation. If an agent were to question his estimate of value, or insist on close inspection and an appraisal, the property-owner would naturally resent it. This law will not prevent overinsurance. It is not an objectionable law, however, from the point of view of the fire underwriter. He would be willing to return the excess premium on general principles, as a matter of equity and of expediency, after paying a total loss less than the amount insured. We know of a recent case in this field where the manager voluntarily returned the excess premium when he learned that in the renewal of the policy for many years no due allowance had been made for depreciation and lower prices.

Washington Life Insurance Company.

The general agent of another company said to us, not long ago, "I do not know of any life office with a cleaner management, nor with a management more satisfactory to have dealings with, than that of the Washington Life Insurance Company."

It is an old New York company, strengthened with the best traditions, and stanch in every respect. The various items in the statement of its resources are increasing steadily. New policy forms are issued from time to time, the products of new ideas, or as plans change and the demands of the public vary. The Washington Life is not standing still. It has a large and increasing amount of insurance in force, and the satisfaction it gives policyholders is in evidence in its comparative figures.

Manager J. B. Day, who recently took charge of the Pacific Coast department, is a practical and experienced life underwriter. He has increased the new business tenfold, and has added very materially to the amount in force in his department. C. L. Fay, the general agent in

the Northwest, has long been with the company in this capacity. His headquarters are in the Washington building in Portland. Good territory and a good contract are offered agents, who are invited to correspond with these representatives of this popular company.

Sun Insurance Office.

The annual statement of the home office of this great British company shows the possession of \$11,578,675 assets, which is a gain of over half a million in the year. The capital is \$600,000, the general reserve is \$5,750,000, the reinsurance reserve is \$2,024,680, and other special reserves some million and a half. The reserve for unexpired risks increased \$85,000. The net premiums for the year aggregated \$5,061,700, with \$2,941,480 losses and \$1,716,260 expenses. There was a favorable balance on the year's business.

The American branch made considerable gains in assets, surplus and business. The Sun now has \$2,728,128 invested in this country, and of this goodly investment over a million is surplus. This very old company—the oldest purely fire office in the world—is making money in this country. The Pacific Coast department, represented by W. J. Callingham, is also doing well, with increasing business and a decreasing loss ratio.

Should Not San Francisco Rates Be Lowered?

Long freedom from serious fire losses suggests the inquiry whether or not such freedom is not a permanent San Francisco condition. In recent years buildings have been improved. New buildings generally are of a better character. The fire protection, including water supply, is better. As long promised, rates have recently been lowered, in recognition of a low loss experience and of the promised full-paid fire department; and when the department is actually under full pay, and its character and efficiency thereby improved, it may be prudent and just to lower San Francisco rates still farther. As the *Coast Review* has pointed out, such

a reduction will put a stop to those demoralizing practices of the business, from which the small policyholder derives no rebating benefit. Simultaneously with the proposed reduction, the co-insurance clause should be introduced in policies on buildings. In the absence of this clause, wealthy owners are securing insurance at low rates by carrying small lines, thus making almost every loss total. This equitable clause, which places the small policyholder on an equality with the large policyholder, will produce additional premiums, and in some degree offset the loss incurred by reduced rates.

There are, of course, valid objections to the proposed general reduction. The state insurance department, which underwriters support, has become a cause of extraordinary expenses, and increased taxation is threatened. Present premium rates correspond with those in similar cities elsewhere: if rates are reduced to any considerable extent, rates would have to be advanced in the interior in order to secure a profit on the business of California as a whole; and if the favorable experience in San Francisco be abnormal, as underwriters generally believe, the return of the normal loss experience would necessitate that most disagreeable and difficult thing in fire underwriting—an advance of rates to the old figures based on experience in many instead of a single city. Granted, all; but wouldn't the reduction, and the restoration if necessary, be a more legitimate and dignified method than the toleration of the unbusiness-like practices growing out of a phenomenally low loss experience during a long period?

How Shall We Vote?

An off-year election of unusual interest will be held in the United States on November 8. With the political questions at issue in this election, whether for state, municipal or federal offices, this journal has no concern. We should not presume to make a suggestion for or against expansion or annexation, nor single tax, nor any political question which may be

directly or indirectly at issue. Insurance men of every grade are naturally thoughtful, conservative and unpartisan, and will vote and work intelligently and independently. But as an insurance journal we may venture to remind our readers, of whatever state or city, that politics is at best only business, and that it is only business to vote against demagogues who will try to injure insurance or other business interests. It is not difficult to recognize such a candidate, whether he is a nominee for governor or for legislator. Business interests throughout the Pacific West will be benefited by the election just in proportion as sensible, conservative business men are put into offices of responsibility.

Meeting of the San Francisco Life Underwriters Association.

TIME—September 28, 1898.

PLACE—Bohemian Club, San Francisco.

PRESENT—San Francisco managers and general agents: F. H. Beaver, Pacific Mutual; J. B. Day, Washington Life; Wm. H. Dunphy, Home Life; Henry K. Field, New England Mutual; A. G. Hawes, New York Life; W. A. Jacobs, Germania Life; J. M. Kilgarif, Pacific Mutual; John Landers, Manhattan Life; Wm. C. Leavitt, Union Mutual; Chas. A. McLane, New York Life; C. M. T. Parker, Massachusetts Mutual; Fred A. Stolp, National Life; G. C. Pratt, Union Central Life. Others: M. V. Cooley, H. C. Donnell, R. Allyn Lewis (Phoenix, A. T.), F. E. Thayer, J. A. Carey of the *Adjuster* and J. G. Edwards of the *Coast Review*.

The San Francisco Life Underwriters Association held its "regular" monthly meeting last month, but the proceedings were somewhat irregular. It was an informal affair, with "a feed" and without dress suits, of both which interesting circumstances the members were duly notified. The executive committeeman said: "I am requested by the president to state that any member who appears in other than his business clothes will have to buy the 'fizz' for the crowd." The only member who wore a dress suit that evening was—not there. Like one of the men mentioned in a much quoted book, he sent word that he was obliged to attend a wedding.

The members and guests of the association went from their offices to the club, and at an early hour were seated about the famous big round table in the red room. The floral decorations were handsome, and the lights of electric-lamps and candles, through colored shades, blended agreeably beneath the giant oriental umbrella. The dinner was praised all round, and the product of "the goose ranch" evoked specially complimentary remarks.

The gentlemen present were in good spirits and evidently cordially disposed to one another. Whatever ill feeling may be engendered by competition and evil reports, inseparable from any kind of business, there was certainly no indication of its existence at this dinner. Nevertheless, there was some plain and wholesome talking. It was a business meeting, and the members were there to talk thus plainly and informally about the affairs of the association and the evils of the business.

It was the general opinion that it would be better for the business of life insurance in this field if all the managers and general agents were members of the association, and it was resolved that the executive committee should make special efforts to induce the outsiders to come in and co-operate in the difficult work of eradicating or minimizing bad practices.

Manager Day introduced a resolution to prevent and discourage twisting as far as possible. This resolution was adopted unanimously. A resolution by Manager Field, against rebating, was discussed somewhat warmly. As it was in the nature of a constitutional amendment, final action was necessarily deferred. Objection was made, that the anti-rebate compact already covers this matter; further, that such an amendment could not be effective in this field as long as there were outsiders who rebate. One speaker's objection was that it is not a part of a manager's duty to spy out rebating. Other speakers preferred the enactment of a state anti-rebating law, as being the most effective means of protecting policy-holders and companies. Under such a

law the rebater could be punished for discrimination in making a mutual contract. But nobody said a word about the cause of rebating—the root of the evil—namely, high commissions.

Mr. F. A. Stolp, a delegate at the recent meeting of the National Association, read an interesting summary of the entertainment at Minneapolis, and stated that on one of the excursions a delegate interviewed the other delegates, and found that the average insurance carried by each was \$17,000. These life insurance doctors take their own medicine, that is certain.

The speakers during the course of the evening were Messrs. Landers, Hawes, Field, Leavitt, Pratt, Kilgarif, Beaver, McLane, Stolp, Day and Donnelly.

Welcome to Hawaii!

After knocking vainly at the American door for several years, Hawaii was answered by an open door and a hospitable invitation from Uncle Sam to enter. This result was only a question of time, and the recent war merely hastened final action. We can only wonder how any Coast man, especially any San Franciscan, could ever have opposed manifest destiny and material benefits in this matter. We repeat, Welcome to the Islands! They have been developed chiefly by Americans and American capital, and are entitled to the protection and opportunities of America.

There are eight cultivable islands in the Hawaiian group. Hawaii is the largest. It has 2,500,000 acres or 4,210 square miles of territory. It is about the size of Connecticut.

Kanai is twenty-five miles long and twenty-two miles broad, and contains a superficial area of 590 square miles. It is half as large as Rhode Island. Maui is forty miles long and thirty miles broad. It contains 760 square miles. Oahu island is 600 square miles in area. It is forty-six miles long and twenty-six miles broad, and contains the city of Honolulu. Molokai, shaped like a shoe or boat, is forty miles long and only seven miles broad. Its

superficial area is 270 square miles. On two peninsulas of this island are the leper asylums. Lanai is twenty-two miles long and thirteen miles broad, and contains 150 square miles or 100,000 acres. The area of Niihou is ninety-seven square miles, and of Kahoolawe, sixty-three. The total area of the eight islands is 6,740 square miles, or nearly as large as New Jersey or Massachusetts. The population is 110,000. The Islands are rich in natural resources, and the climate is generally ideal. The sugar industry is well known, but it is not so well known a fact that a fine article of coffee is being grown there. We suggest to our readers that they sample the several Hawaiian brands, and thereby encourage "home industry."

According to our last advices there are thirty fire insurance offices represented in Hawaii, with general agencies in Honolulu. Their total annual premium income, as reported to the Honolulu Board of Fire Underwriters, is about \$160,000. These companies are as follows:

AMERICAN.

Ætna	Ins. Co. North America
Fireman's Fund	National
German-American	Pennsylvania
Greenwich	Springfield
Hartford	

FOREIGN.

Alliance	New Zealand
Atlas	North British
Caledonian	North German
Commercial Union	Northern Assurance
English-American	Palatine
Hamburg-Bremen	Prussian National
Imperial	Royal
Lion	Scottish Union
Liv. & Lon. & Globe	Transatlantic
London & Lancashire	Union Assurance
Manchester	

Army Mortality.

In the recent war with Spain over 250,000 American soldiers and marines were under arms. The deaths in battle were 332 and the deaths in camp and hospitals were 751. These statistics, which cover five months, were compiled a month ago. There are, besides, some 1,400 wounded. The total mortality, so far known, is less

than 1,200, or about at the rate of selected lives in life insurance! The average death rate of selected lives is 10 per 1,000 annually; the average of this army of over 250,000 men, many of whom could not have passed a medical examination for life insurance, was only at rate of 10 per 1,000. This low death rate becomes doubly remarkable when it is reflected that the soldiers in camp were unavoidably subjected to conditions unfavorable to health, and the soldiers in active service were subjected to a tropical climate and exposed to yellow and malarial fevers. Allowing 50 per cent. as the death rate of the wounded and adding 500 more for deaths not reported, we have a total of 2,000 deaths, five-twelfths of which were the fatalities of skirmishes and battles. This proportion of over 250,000 is the same average death rate as that of the principal American cities.

THE North British has \$70,325,000 assets—the largest possessed by any company doing a fire business. Over \$50,000,000 of this sum is covered by the liabilities of the life department, leaving some \$20,000,000 clear for the fire department.

IT WAS the regulars that did the work before Santiago, says Gen. Shafter. And it is the regulars that do the work in insurance. The volunteers dash in enthusiastically and make a good showing for a little time, but they have not the staying power of the regulars.

A NEW hazard for fire underwriters! Cloth is to be made from wood pulp, as paper is. The wood is first boiled in chunks and treated with acid. The pulp made therefrom is bleached and passed through rollers, and comes out a kind of cloth, with interlacing and adhesive fibers. It will doubtless be used for curtains, wall-linings, table-cloths, blankets, dress-linings, and even for clothing.

The Westchester's semi-annual statement shows gains in assets and net surplus.

London has ten fires a day, and New York eighteen.

September Fires.

Washington.

8. Davenport, br bldg, gen'l mdse and saloon:
 Ins. Co. North America \$1,320
 Home, N. Y. 1,600
 Fireman's Fund 1,000
 Hamburg-Bremen 3,550
 Hartford Fire 500
 Royal 1,500
 London & Lancashire . . 1,000
 National 1,000
 North British 1,000

Total \$12,470

9. Walla Walla, warehouse, machinery and mdse:

Caledonian \$ 700
 Home, N. Y. 1,500
 German-American 1,500
 St. Paul 1,000
 Fireman's Fund 1,050

20. Tekoa, iron electric-light plant:

Liv. & Lon. Globe . . . \$1,000

24. Palouse, fr saw and planing mill:

Liv. & Lon. & Globe . . \$2,000
 Springfield 750
 National 750

20. Spokane, dwg:

Helvetia \$600

16. Spokane, dwg contents:

Atlas \$702

26. Snohomish, slaughter-house: Magdeburg \$1,000

13. Tacoma, fr dwg:

Scottish Union \$739

10. Shelton, dwg and contents: Aetna \$1,500

11. Auburn, hops and kilns:

London & Lancashire . \$1,480

26. Colfax, fr dwg:

Caledonian \$600

4. Seattle, cooper shop:

Transatlantic \$800

- Seattle, dwg:

Westchester \$2,428

3. Seattle, dwg and contents:

Providence-Washington \$971

23. (Aug.) King co., shingle mill: Fire Association \$506

20. Fern Hill, dwg contents:

Western \$1,700

Losses under \$500 . . . \$13,852

Total Washington . \$49,603

Oregon.

13. Dallas, barn and contents: Home, N. Y. \$650

28. Corvallis, br & fr college bldgs and contents:

Imperial \$1,200
 New Zealand 1,000
 Norwich Union 750
 Hartford Fire 2,000
 London & Lancashire . . 1,000
 London Assurance . . . 1,000
 Phoenix, London 2,000
 Liv. & Lon. & Globe . . . 1,000

4. (July) Corvallis, dwg & conts: Home, N. Y. \$1,180

11. Baker co., miners boarding houses:

Caledonian \$850

28. Myrtle Point, fr store bldg:

Liv. & Lon. & Globe . . \$500

17. Junction City, hops:

Home, N. Y. \$340

27. Grant's Pass, fr dwg & conts: Phoenix, Hartford . . . \$1,250

10. Medford, fr dwg:

Aachen & Munich . . . \$500

25. Mt. Vernon, fr dwg:

Lancashire \$528

- Tillamook co., barn and hay:

Home Mutnal \$875

22. Lane co., fr hop house:

American, Pa. \$525

23. Marion co., fr fruit dryer, etc: Lion \$500

22. Portland, fr dwg and conts: Ins. Co. North America \$953

Pennsylvania 400

15. Portland, dwg and contents: Home, N. Y. \$494

Losses under \$500 . . . \$7,879

Total Oregon \$27,374

Montana.

23. Red Lodge, coal plant:

Ins. Co. North America \$1,041

Pennsylvania 800

Caledonian 567

London & Lancashire . 1,100

American Central . . . 566

Manchester 567

St. Paul 566

Palatine 1,133

Union, Pa. 400

19. (Aug.) Havre, dwg:

Fire Association \$500

9. Big Timber, br livery stable:

Royal \$2,000

- Helena, dwg:

Royal \$600

Losses under \$500 . . . \$2,093

Total Montana \$11,939

Arizona.

11. Jerome, gen'l fire:

Royal \$4,027

Union, Pa. 3,152

Scottish Union 737

Thuringia 4,000

Fireman's Fund 4,900

Alliance 2,500

Home, N. Y. 19,313

Sun 8,667

Springfield 3,600

American, N. J. 513

Manchester 1,027

Commercial Union . . . 6,800

Imperial 1,250

New Zealand 2,275

Caledonian 1,027

Phoenix, Hartford . . . 3,200

Svea 4,538

Agricultural 1,000

American, Pa. 700

Lion 1,250

Pennsylvania 6,597

National Fire 2,500

Aetna 14,587

Total \$93,160

25. (Aug.) Phoenix, dwg:

Home Mutual \$550

4. Templeton, store bldg:

Norwich Union \$800

18. Tucson, dry goods and br and iron bldg:

Norwich Union \$1,000

Home Mutual 4,000

Imperial 1,000

Connecticut 1,000

Royal Exchange 1,990

Sun 1,000

Scottish Union 2,258

Union, London 2,250

Total \$14,498

7. Prescott, dwgs and contents:

Aetna \$1,799

Sun 1,000

11. Prescott, dwg and conts:

Aetna \$500

Losses under \$500 . . . \$13,521

Total Arizona \$130,828

Idaho.

- Nez Perce, thrasher:

Aetna \$1,400

1. Kendrick, fr dwg and conts: Phoenix, London \$658

10. Blain co., fr dwg:

Commercial Union . . . \$600

Losses under \$500 . . . \$1,403

Total Idaho \$5,051

New Mexico.

3. Albuquerque, fr bldgs:	
Royal	\$ 750
Manchester	1,000
2. Gardiner, coal and coke min- ing plant:	
National	\$1,212
Fireman's Fund	3,176
Palatine	1,940
Lion	2,392
Home Mutual	1,939
Imperial	2,392
9. Rio Arriba co., hay:	
Fireman's Fund	\$792
Losses under \$500	\$789
Total New Mexico	\$ 16,382

Wyoming.

4. Lander, dwg:	
Fireman's Fund	\$634
Losses under \$500	\$293
Total Wyoming	\$927

Utah.

26. Near Salt Lake City, hotel & fr bath bldg:	
Union, London	\$1,600
Aachen & Munich	800
Imperial	1,200
Lion	1,200
Hanover	800
Greenwich	1,200
Thuringia	1,825
North British	1,200
Losses under \$500	\$1,879
Total Utah	\$11,704

Colorado.

27. Gunnison co., snow sheds, etc.:	
Lion	\$1,095
Imperial	1,095
26. Chaffee co., dwg and barn:	
Fireman's Fund	\$512
23. Clarkston, bldg and conts:	
Fireman's Fund	\$1,179
15. Cripple Creek, hhld furni:	
National	\$500
14. Near Denver, dwg conts:	
Atlas	\$900
23. Denver, Suburbs, dwg & barn:	
Atlas	\$710
30. (Aug.) Rico, fr bldg:	
Scottish Union	\$782
29. (Aug.) Arapahoe co., hhld furni:	
Scottish Union	\$500
Losses under \$500	\$2,935
Total Colorado	\$10,208

British Columbia.

10. New Westminster, conflagra- tion:	
Scottish Union	\$20,750
Connecticut Fire	26,707
Pennsylvania	1,500
American, Pa.	2,000
Commercial Union	95,250
Hartford Fire	6,450
New Zealand	500
Pennsylvania	500
Aetna	32,711
Total	\$186,368
7. Port Hancy, fr dwg:	
Commercial Union	\$1,500
Losses under \$500	\$9,424
Total British Columbia	\$197,292

Nevada.

Losses under \$500	\$342
Total Outside Territory	\$460,660

California.

14. Cache Valley, Yolo co., hop kilo and conts:	
Home, N. J.	\$2,600
3. Coulterville, store, br and fr hotel and furni:	
Caledonian	\$1,000
American, N. J.	1,000
Union, Pa.	813
Palatine	1,000
Manchester	1,000
Pennsylvania	1,221
24. Eureka, dwg and furni:	
National	\$1,150
11. Elk Creek, bldg:	
Fireman's Fund	\$500
12. El Cajon, fr bldgs:	
Pennsylvania	\$1,500
2. Near Exeter, fr dwg, barn and conts:	
Home, N. Y.	\$563
2. Fresno, fr dwg:	
Svea	\$1,200
18. Fresno, fr church:	
Hanover	\$974
25. (Aug.) Fresno, fr dwg, etc.:	
Alliance	\$966
5. Grass Valley, fr school bldg:	
Thuringia	\$1,000
Aachen & Munich	500
30. Gridley, dwg:	
Fireman's Fund	\$ 500
Royal	1,500
20. Hanford, conts fr dwg:	
Ins. Co. North America	\$500
7. Nevada co., fr dwg:	
Svea	\$1,050

8. Nevada co., fr bldg:	
Svea	\$500
18. Oroville, fr dwg and barn:	
Scottish Union	\$590
16. Oak Hill, fr bldg & conts:	
Lion	\$1,200
11. Norwalk, Los Angeles co. fr school bldg:	
Royal Exchange	\$3,500
Norwich Union	1,500
8. Los Angeles, br dwg & barn:	
London & Lancashire	\$1,137
1. Los Angeles, stock groceries:	
Philadelphia Underwri.	\$2,500
29. (Aug.) Los Angeles, soap works:	
Niagara	\$991
28. Los Angeles, dwg & conts:	
Northern Assurance	\$760
15. Los Angeles, fr dwg:	
Queen	\$320
. Paso Robles, fr dwg and hhld furni:	
New York Underwrit.	\$2,500
21. Perris, br bldg & gen'l mdse:	
German-American	\$2,338
Fireman's Fund	3,200
23. Plumas co., hay in field:	
Norwich Union	\$1,000
Union, Pa.	500
Pennsylvania	1,000
4. Porterville, dwg and conts:	
National	\$1,000
16. Riverside, dwg and contents:	
London Assurance	\$3,388
Royal	2,213
26. Riverside, dwg:	
Franklin	\$400
13. Redlands, fr barn:	
Imperial	\$800
9. Rio Vista, dwg and conts:	
Atlas	\$1,700
11. Red Bluff, gen'l fire:	
Atlas	\$2,900
Home, N. Y.	1,182
National, Hartford	500
Alliance	3,381
Liv. & Lon. & Globe	7,375
Ins. Co. North America	2,000
Franklin	2,000
Transatlantic	760
Springfield	550
London & Lancashire	2,000
Palatine	2,059
Commercial Union	3,381
New Zealand	588
Total	\$28,676
8. San Gabriel, dwg and conts:	
Fireman's Fund	\$2,023

2. South Park, fr saloon and furni: Palatine \$1,141 London & Lancashire . . . 505 Royal 1,200	17. Sacramento, furni, horses etc.: London & Lancashire . \$2,850	29. Templeton, fr bldgs & mdse: Fireman's Fund \$ 800 German-American 1,725
1. San Luis Obispo, fr and adobe dwg and conts: Home, N. Y. 1,000 Caledonian 975	28. Santa Monica, fr dwg:] Manchester \$600	5. Vina, fr dwg: Palatine \$500
27. Sonoma co., bailed hay: Imperial \$982 Lion 981	13. Santa Clara co., dwg, barn and hblld furni: London & Lancashire . \$1,995	10. Vacaville, dwg: Northern Assurance . \$1,425
.. Santa Barbara, dwg: Westchester \$262	11. Stockton, dwg and conts: Law Union & Crown . \$1,100	Losses under \$500 . . . \$44,284 Total California S. F. ex. \$249,797
6. (Aug.) Sausalito, bldg, etc.: Fire Association . . . \$5,000	3. Stockton, fr dwg: Ins. Co. North America . \$500	San Francisco.
2. San Diego co., fr dwgs: Hanover \$500	26. San Jose, hotel: Imperial \$1,000 Caledonian 600 St. Paul 1,000 Phoenix, Hartford . . . 1,200 Milwaukee Mechanics . 1,667 Queen 1,250 New York Underwrit . 3,000 Norwich Union 500 Etna 1,000 Fireman's Fund 1,200 London Assurance . . . 800 Magdeburg 1,500 Royal Exchange 2,500 Atlas 1,450 Royal 850 Home, N. Y. 2,500 Williamsburg City . . . 500 Franklin 500 American Central . . . 750 Union Assurance 900 National, Hartford . . . 500	19. Buildings, boats, etc: Lion \$ 826 Imperial 1,239 American, Boston 866 Mercantile 866
5. Sacramento, fr storage bldgs: Manchester \$605	11. Sacramento, lumber, etc: Hartford \$1,500 Ins. Co. North America 2,000 Franklin 1,000	26. Frame building: Milwaukee Mechanics . \$350
11. Sacramento, fr dwg & conts: Liv. & Lon. & Globe . . \$2,135 Hamburg-Bremen . . . 1,750 London & Lancashire . . 800	29. Sacramento, fr dwgs: Sun \$594	14. (Aug.) Dwelling: Fire Association \$770
11. Sacramento, br bldg: Imperial \$1,246	7. Sacramento co., barns & hops: Fireman's Fund \$2,500	22. Frame dwelling, etc: Alliance \$619
13. Sacramento, dwg and stable: Pennsylvania \$600	27. Sacramento, fruit packing and fruit: Liv. & Lon. & Globe . . \$1,000 North British 1,000 Milwaukee Mechanics . 3,500 Northern Assurance . . 1,000 Norwich Union 2,500 Svea 3,000 Fireman's Fund 3,500 Williamsburg City . . . 1,500 Phoenix, Hartford . . . 2,500	11. Turkish baths: Sun \$514
22. Sacramento, fr dwg: Pennsylvania \$500 Ins. Co. North America . 500	Total \$25,167	11. Building and machinery: Williamsburg City . . \$1,000
11. Sacramento, livery stable: Transatlantic \$750	21. Santa Clara, dwg: Transatlantic \$600 Milwaukee Mechanics . 135	Losses under \$500 . . . \$ 7,191 Total San Francisco \$14,241 Total California . . \$264,038 Total Pacific Coast \$724,698
18. Sacramento, br bldg: Springfield \$1,750	21. Near San Jose, br dwg and contents: Home, N. Y. \$700	Losses by Companies.
.. Sacramento, fr creamery: Connecticut \$2,312	9. Santa Clara co., dwgs: Magdeburg \$695	Aachen & Munich \$ 2,935 Etna 54,779 Agricultural 1,089 Alliance 8,240 American, Boston 866 American, N. J. 1,932 American, N. Y. 70 American, Pa. 4,470 American Central 1,454 Atlas 10,123 Baloise 20 British America 312 Caledonian 7,352 Commercial Union 112,031 Connecticut 35,599 Fire Association 8,960 Fireman's Fund 32,864 Franklin 3,900 German Alliance 1,009 German-American 7,979 Greenwich 1,235 Hamburg-Bremen 7,790 Hanover 3,341 Hartford 11,708 Helvetia 1,493 Home, N. Y. 34,649 Home Mutual 12,471 Imperial 18,968 Ins. Co. North America . 10,659 Lancashire 1,250 Law Union & Crown . . . 1,385
19. Sacramento, stock: North British \$2,500	20. Sunol, fr hotel: Lion \$1,000 Phoenix, Hartford . . . 800 Hamburg-Bremen 2,000 Connecticut 500	
17. Sacramento, br bldgs & mdse: Imperial \$2,000 Liv. & Lon. & Globe . . . 8,255 Home Mutual 2,000 Connecticut Fire 3,500		
12. Sacramento co., fr dwg and conts: Manchester \$2,440		
17. Sacramento co., fr dairy, barn, etc: Royal Exchange \$2,37		
17. Sacramento co., bailed hay: Manchester \$600		

Lion	11,620	Norwich Union	8,750	Svea	10,010
Liverpool & Lon. & Globe	25,509	Orient	142	Traders . . . . .	...
London & Lancashire	17,285	Palatine	9,937	Transatlantic	3,534
London	5,596	Pennsylvania	14,979	Thuringia	9,621
Magdeburg	3,955	Philadelphia Underwrit.	2,665	Union, London	5,190
Manchester	9,155	Phoenix, Hartford	10,769	Union, Pa.	4,873
Mercantile	866	Phoenix, London	3,075	United States	116
Merchants . . . . .	...	Providence-Washington	1,005	Williamsburg City	3,000
Milwaukee-Mechanics	5,969	Prussian National	220	Westchester	2,244
National, Hartford	11,790	Queen	2,260	Western	5,393
New Zealand	5,117	Royal Exchange	11,740		
New York Underwriters	5,527	Royal	17,277	Total	\$724,698
Niagara	996	Scottish Union & Nation'l	26,592		
Northern	4,275	Springfield	7,434	TO DATE this year	\$4,575,318
North German	645	St. Paul	2,802	TO DATE last year	3,319,926
North British & Mercant.	6,699	Sun, London	13,342		

California and Coast Monthly Fire Insurance Losses.

CALIFORNIA.			
Month	1898	1897	1896
January	\$ 275,012	\$ 126,887	\$ 110,649
February	135,896	180,984	170,316
March	244,223	335,818	171,648
First quarter	\$ 655,131	\$ 643,689	\$ 452,613
April	254,228	120,452	174,644
May	345,420	268,513	340,151
June	228,514	271,717	231,409
Second quarter	\$ 828,162	\$ 660,682	\$ 746,204
First six months	\$1,483,293	\$1,304,371	\$1,198,617
July	348,891	271,317	346,253
August	523,982	209,166	241,133
September	264,038	340,713	211,310
Third quarter	\$1,136,911	\$ 821,196	\$ 798,696
October . . . . .	...	170,114	253,459
November . . . . .	...	146,903	130,922
December . . . . .	...	176,833	199,623
Fourth quarter	\$. . .	\$ 493,850	\$ 584,004
Last six months . . . . .	...	1,315,046	1,382,700
TOTAL of year . . . . .	...	2,619,417	2,581,517

ENTIRE COAST.			
Month	1898	1897	1896
January	\$ 483,292	\$ 218,871	\$ 230,220
February	226,201	358,603	276,403
March	374,338	429,420	356,554
First quarter	\$1,083,831	\$1,006,894	\$ 863,177
April	439,286	196,917	365,936
May	516,901	340,911	385,446
June	520,881	407,120	406,551
Second quarter	\$1,477,068	\$ 944,948	\$1,158,236
First six months	2,560,899	1,951,842	2,021,413
July	572,183	439,113	619,166
August	717,538	385,921	403,357
September	724,698	543,050	339,267
Third quarter	\$2,014,419	\$1,368,084	\$1,361,790

October	321,881	427,604
November	273,069	263,925
December	273,453	283,031
Fourth quarter	\$ 868,403	\$ 974,560
Last six months	2,236,487	2,336,350
TOTAL of year	\$5,500,000	4,188,329
* Estimated.		

Moral: Carry Accident Insurance.

Here are three California accidents happening in one day:

The accidental discharge of a shot-gun cartridge destroyed both eye-balls of a young man.

Another young man, while cleaning a rifle, tried in vain to remove a rag with a ram-rod. He then inserted a cartridge, intending to blow the rag out. The result was the lock was burst open and the bullet was discharged backward, inflicting a serious wound in the young man's forehead.

Still another unfortunate young man was drowned while trying to stop a break in a dam. He dived with a sack of sand into sixteen feet of water, and was drawn by the current into the break.

An old-fashioned man who likes to sit before a log-fire in an open fire-place says there will be no sparks flying into the room if the logs are laid end-wise instead of cross-wise. The wood-cells burst outward, not in the direction of the log-length. He says put two iron bars on your andirons and your log on the bars. How to prevent a big knot from sputtering sparks in every direction this old-fashioned man fails to explain.

Several railway companies in the East spray their road-beds with oil to lay the dust. Eighty-two tanks of 6,000 gallons each were required to spray 114 miles of "bed." Probably these railway companies do not carry their own insurance.

Extraordinary Fire Losses on the Pacific Coast.

The losses reported to the *Coast Review* thus far this year are about \$1,300,000 greater than for the corresponding nine months of '97. This year's total includes only the small part of the recent conflagration loss at New Westminster paid through San Francisco departments. Of the large increase in losses, California is responsible for five-thirteenths or a half million. All this California increase was incurred in the interior. The city of San Francisco has been very fortunate in the matter of fires and losses. Our estimate of a possible 65 per cent. Coast loss ratio, advanced with some hesitation two months ago, now seems not at all improbable. Underwriters as a whole will make little or no money on the Coast this year. All depends on what October, November and December have in store.

CHIPS.

—In no other country in the world have the powers of the underwriter been so hampered by legislation as in the United States.—E. F. Beddall.

—The United States branch of the London Assurance (Geo. F. Grant, Coast manager) made large gains in assets and surplus in the half-year. The surplus is now \$1,481,940.

—Life insurance deals solely with the duty of a man to his family. It proposes itself to him and to them as his proxy therein because it is the only entirely reliable and sufficient doer of that duty.—Jacob L. Greene.

—The Norwich Union's American branch semi-annual statement shows \$2,424,999 assets and \$1,099,097 surplus—both larger than at the beginning of the year. Wm. H. Lowden is manager of the Coast department.

—Manager Godwin of the Preferred's Pacific Coast branch has left for an extended tour through his agencies. He will take in Oregon, Washington, Montana and Utah on his way, and probably southern California.

—The Kansas insurance department raiders are still levying tribute. It is understood that some of the collections are paid into the "pop" treasury for campaign expenses. "Bleeding Kansas" has a new meaning for underwriters. And there are others.

—The Fire Association increased assets and surplus up to July 1.

—S. J. Johnson, surveyor for the Continental Ins. Co., is here from Chicago.

—Accident tickets as well as accident policies of the formal kind must be stamped.

—Col. Macdonald is visiting the agents of the London & Lancashire in Oregon and Washington.

—Bruce Cartwright, the Preferred's able representative in the Sandwich Islands, is in this city.

—Thomas Whelan, general counsel Fidelity & Deposit Company, is paying the Pacific Coast agents a visit.

—The receipt of the new Surveyor Directory of New York and New Jersey is hereby acknowledged.

—The Phenix of Brooklyn has made a considerable increase in net surplus since January 1, the figures now being \$1,305,105.

—The Imperial (Wm. J. Landers, Coast manager) has increased the assets and surplus of its United States branch this year.

—The Queen of New York (Rolla V. Watt, Coast manager), reports July 1 \$4,578,937 assets and \$2,224,143 net surplus. Gains were made in both assets and surplus.

—\$1.39 a minute is the "fee" collected by the Kansas road agents. What the "collarless commissioner" from the far West collared is not known by anyone except his victims.

—The great Ins. Co. of North America (James D. Bailey, Coast general agent) reports July 1 \$10,093,850 assets and \$2,676,078 net surplus. Gains were made in both respects since January 1.

—Nason & Potter, of San Diego, agents for U. S. Fidelity & Guaranty Co., of Baltimore, wrote a \$250,000 bond in that company for J. D. Woodward, administrator. The company is represented in San Francisco by the J. D. Maxwell Co., Paul M. Nippert, manager.

—Cash surrender values are false in principle, constantly destructive in tendency, expensive as calling for a maximum replacement of lost business, and dangerous to every operation by which a company proceeds to the fulfillment of its insurance obligations.—Jacob L. Greene.

—President Staples of the Fireman's Fund has been visiting the East.

—Wm. J. Lynch succeeds F. E. Houghton as general agent for Utah of Connecticut Mutual Life Ins. Co.

—Geo. W. Spencer, of Boardman & Spencer, general agents of the Aetna, is visiting the Hawaiian Islands.

—INCENDIARY.—An attempt was made to destroy the *Mountain Echo* office at Angels Camp, Cal., Sept. 22.

—The late insurance commissioners' convention was remarkable in the fact that the insurance commissioners had little or nothing to say. This was fortunate all round. It was school, and the boys were on their good behavior.

—In France the principal cause of suicide is "desire to avoid pain." In one year 4,687 French people committed suicide for this reason. The desire to avoid payin' is a common complaint in this country, especially among fire mutuals; but we never heard of anybody committing suicide to avoid payin'.

—In Great Britain there is nothing in the law to prevent a company legally organized from taking an office, putting out a sign, and writing all the policies which property-owners will pay for, whether its capital be a hundred dollars or a million. There we find that the people, who are certainly not more intelligent than our own citizens, are perfectly able to take care of themselves if left to their own devices, and that no law is necessary to protect them against their own foolishness.—E. F. Beddall.

—RENEWAL COMMISSIONS.—The second year is the critical period, and the ratio of lapses in all companies doing any considerable volume of business is and always will be high at that point. Various theories have been tested by different companies, and contracts have been made without renewal commissions to the agent, and again with renewal commissions. The results as shown by the reports to the insurance department indicate that the renewal commission has had little, if any, effect in reducing the lapse ratio, and companies which offer a standard form of agency contract based on a renewal commission to the agent, find their business going off the books just about as rapidly as the business of companies operating solely on a brokerage basis.—McCall.

—COOL.—It is proposed in Minnesota that the state set aside all fees and taxes paid by insurance companies as a fund for carrying its own fire risks.

—NEED NO INSURANCE LAWS.—The common law, and a vigorous enforcement of it, would fully protect the insured from the wiles of the irresponsible company. It could not entice him into its meshes by presenting a false statement, since that would be obtaining money under false pretenses.—Beddall.

—The Scottish Union & National (R. C. Medcraft, general agent for Coast) now has \$4,130,858 assets in the United States. Of this goodly amount, \$2,029,355 is surplus. In the half-year ending June 30 the American branch made large gains in both assets and surplus, and its income was about a hundred thousand in excess of expenditures.

—ERROR.—Our list of New Westminster insurances was erroneous as to the Connecticut, whose figures should have been \$25,000 instead of \$50,000; and probably erroneous as to the Manchester, whose figures were also \$50,000 instead of \$25,000. It was a big blaze, and exactness in the reports of insurances was not possible so soon after the fire.

—There are no laws governing the insurance contract in Great Britain, each company being free to make such a contract with the property-owner as he may be willing to accept, and contract will be sustained by the courts of the land. Nor is there any law regulating the amount of capital under which a company may transact business.—E. F. Beddall.

—After a three weeks' vacation spent among the lakes of northern Maine, Kimball C. Atwood, the Preferred's popular secretary, returned to his post on September 12th. His home coming was made the occasion of a handsome presentation by the agency corps in the shape of \$3,000,000 in new business, being the largest one day's business ever written by the Preferred Accident.

—A correspondent (J. C. C.), writing from North Yakima, Wash., offers an explanation of the San Jose city council's action in classing insurance companies with sewing machine companies, in exacting a quarterly license. He says: "If I am permitted I might suggest that it was because both are 'pedalers.'" But there is a difference, for while my sewing-machine friends sell "New Homes," the insurance companies buy old homes."

—The American Mutual of Danville, Ill., is closing out.

—President Dewey of the NATIONAL LIFE is making a Western trip.

—Secretary McBain of the Grand Rapids will visit the Pacific Coast.

—Thanks! to the special agents who have been sending us clippings from Coast local newspapers.

—We are indebted to H. T. Ceperley of Ceperley, Mackenzie & Rounsefell, Vancouver, for recent favors.

—The Niagara is raising Ned in North Carolina, and in consequence rates will probably be thrown open.

—Paradox: The unfathomable populists of Kansas have been collecting campaign funds from insurance companies in New York, to help the cause of state fire insurance.

—The internal revenue commissioner holds that a policy assigned or transferred to a new owner of the property insured is taxable in proportion to the unearned premium on the policy.

—The Merchants & Manufacturers of Baltimore and the Allegheny will probably soon retire from business. But mutuals will continue to be organized for the alleged "exorbitant" profits of fire underwriting.

—This for the solicitor: We must not only strike while the iron is hot, but strike it till it is hot.—*Smiles*. And this: Is there no way to bring home a wandering sheep but by worrying him to death?—*Thomas Fuller*.

—The renewal of the Antlers hotel risk at Colorado Springs recently nearly ended in a fight. The premiums were distributed round satisfactorily, after mutual concessions; otherwise one or two companies might have written the entire risk at a cut rate and be called on to pay the loss this month. The hotel is in ashes.

—Too many laws, too much law, diminishes respect for law. Many laws are arbitrary in their nature, impertinent in their application, unjust in their effect, and are only nominally enforced. They are the products of inexperience, narrowness and prejudice; and soon become "a dead letter," of no effect except to inspire contempt for law in general. The reform demand of the future will be for as little legislation as possible.

—An odd town name that Spanish, which appeared in our California losses last month, to wit—Jesus Maria.

—The 'embers of the dying year now appear. A little extra work in November and December may produce some creditable totals for agents who have been somewhat lax in their efforts since midsummer. Very generally throughout the West the times are improving; and even California is rejoicing over early rains and good prospects.

—Monkeys turn their backs to strangers. An ancient description of a mandril says: "This animal was brought to Ausburg with great wonder and exhibited there. On his feet he had fingers like a man's, and when anyone looked at him he turned his back." We commend this to solicitors, who meet with rebuffs from discourteous people.

—The Western Union came to Missouri for its president and took our best man, President George T. Cram, of the American Central. During the war Mr. Cram served with General Phil. Sheridan. He began with the American Central as secretary in 1868, was elected president in 1875, and has had thirty years of successful control of a strong company.—*Kansas City Magazine*.

—J. G. Edwards of San Francisco, proprietor of the *Coast Review*, was nominated by the state Republican convention for the state board of equalization. This action shows that Mr. Edwards is a leader in the G. O. P. in California, and ought to make it a winner this year. The Dewey revolution will make San Francisco one of the great cities of the world, and we think Californians will see it, and vote for Edwards and the whole ticket. He can equalize assessments for taxation without neglecting the *Coast Review*.—*Insurance Magazine*.

—VIRGINIA F. & M.—This company is not authorized to do business in California. So says Mr. Rhorer of the insurance department. Recently, however, a Los Angeles agent offered to insure the city's property at cut rates—offered it publicly, too. The offer was declined without thanks. Now the company says that Los Angeles agent was not its agent and had no authority to make the offer. But we may be allowed to believe that if accepted, the Virginia would nevertheless have written the risk. The Virginia is a small unknown affair with a loss ratio of 68 per cent. for the past ten years.

—E. J. Louis of Los Angeles, special agent of Fire Association and Philadelphia Underwriters, is attending a meeting of the Grand Lodge of Masons.

—Charles J. Okell & Co. of the Employers' Liability have appointed Harvey, Rodoni & Co., Sacramento, and F. Mathieson, Livermore, Cal., agents.

—In *Allen v. Phoenix of Hartford* the jury, under Judge Hunt's instructions, brought in a verdict for plaintiff. The case will be appealed. The case was that of a house insured as a dwelling, but which was used as a roadside house of ill repute. Plaintiff pleaded ignorance of use of house for such purpose.

—Two More Big Log Rafts have gone to pieces in rough seas on the Pacific Coast, and it is said the experiment will be abandoned. The ocean is full of floating logs, and ships are picking their way gingerly to avoid these dangerous derelicts. In time the currents setting shoreward will line the Coast for miles with fine fire-wood for ranchers. The fate of these ocean rafts proves Spencer's postulate that there is a soul of goodness in things evil.

—EDITOR COAST REVIEW:—The New York companies have no excuse to operate outside. Board companies will not stand this imposition much longer, but will be forced to apply such remedy, which will neither suit the companies nor the managers, who will be held responsible for any disruption on this Coast. The Board has not done anything to stop excessive salaries and commissions. The danger point of disruption is near at hand if no steps are taken to have laws passed equal to all.

"DANGER."

—INCENDIARY FIRES are increasing in number on the Coast. San Francisco reports several recent attempts at arson. Nevada City, Cal., dwellings (of M. Hanley and P. Clancy) were fired the second time last month. Incendiaries at Redding, Cal., have caused general alarm. The Mountain Copper Co.'s boarding-house and a lumber pile adjacent to Hotel Keswick were kerosened in September. Other cases of incendiaryism are: Centralia, Wash., H. L. Mead's house; Julietta, Id., F. Bratton's house; Willow Springs, Or., Chas. Cunningham's ranch house. Three years ago his sheep-ranch properties twenty miles apart were burned simultaneously, and two nights later his wool clip was burned. He reports the receipt of letters containing incendiary threats, warning him to remove his sheep.

—No installment premiums of less than \$5 will hereafter be accepted by the accident branch of the *ÆTNA LIFE*.

—\$100,000 a year is the amount paid for postage by the Metropolitan Life; but the company, not being in politics, is without "influence."

—L. E. Neergaard has recently been appointed manager for Oregon for the *Phoenix Mutual Life*. C. W. Wade, Jr., has been appointed supt. of agencies for the same territory.

—An acetylene gas machine in Chicago exploded while the underwriters were inspecting it. There are pleasanter ways of committing suicide than owning an acetylene generator.

—The National Association of Life Underwriters Executive Committee has appointed F. A. Stolp of the National Life, of San Francisco, a member of the committee on local associations.

—The Atlas Assurance Company of London has made the requisite deposit in the State of Oregon, and is now licensed to do business therein. W. W. Alverson, special agent of the company, will be located at Portland, with offices in the Sherlock Building.

—The *Phoenix Mutual's* agency at Portland, Oregon, has been opened up by Osborne & Hicks, managers, with flying colors. Some good producers have been secured in Messrs. Neergaard & Wade, who are old experienced life underwriters, and we wish them well.

—J. N. Lane, of Manchester, England, general manager of the *Palatine Insurance Company*, is visiting Manager Laton of this city. On Thursday evening, the 13th inst., Mr. Laton gave a unique dinner to Mr. Lane and a few of his underwriting friends at the Palace Hotel. The dinner was enjoyed very much by all present.

—The Merchants Exchange of Oakland, Cal.—whatever it may be—wants the legislature to change the insurance laws, and "pass laws for the benefit of the people." Director Sohst knows that rates are too high, and his knowledge of fire underwriting makes us wonder why he is content to remain a merchant when as an insurance man he could go down into deep pockets "and dig up the gold with which they (the underwriters) erect palaces in European cities (including *Paris*) and pay lavish salaries to their presidents." We have heard all this sort of rot before.

—WANTED.—One of our subscribers wants an August, 1897, *Coast Review*, for binding. Any subscriber having a spare copy of that number will greatly favor this subscriber by sending it to this office.

—Commissioner—Supposing you discovered a woman at the third story window of a dwelling on fire, what steps would you take?

Fireman—I wouldn't take any. I'd get a ladder.—*Truth*.

—The liability compact is said to be on the verge of dissolution, East, and "protecting business" is already the practice. The new manual, however, which went into effect October 1, increased rates generally.

—W. U.—President Cram of the Western Union has appointed as governing committee John H. Washburn, J. W. G. Cofran, R. H. Garrigue, J. J. McDonald, W. H. Cunningham, W. S. Warren, Law Brothers, B. W. French, J. S. Belden, Geo. M. Fisher, C. D. Dunlap. The Northern Assurance and Weed & K. (representing six) have resigned, and there is therefore talk of disruption.

—INSURANCE MAN HONORED.—J. G. Edwards, editor of the *Coast Review*, is the Republican candidate for "Member of State Board of Equalization." Mr. Edwards is known all the world over as a stalwart representative of legitimate insurance, and his training as editor of the *Coast Review* in gathering up figures, ascertaining values and separating paying from non-paying business will enable him to pass upon assessable values intelligently. If qualifications for the position and personal worth as a citizen count in the canvass, Mr. Edwards will have a walkover.—*Fireman's F. Record*.

—Populist McNall has been caught *flagrante delicto*. Thomas Bates, a Chicago attorney, has made affidavit that the insurance superintendent refused to rescind one of his absurd rulings. Citizens of Topeka gave Attorney Bates a broad hint to "see" Quinton & Quinton, attorneys. He "saw" them and agreed to pay them \$100 per company represented by him if they could obtain favorable consideration at the insurance department. It required only a few minutes for Quinton & Quinton to convince the populist insurance commissioner that his ruling was wrong. Mr. Bates was promptly notified that his "companies would not be molested." It is certain that Q & Q's share of the profits of the shady transaction was not the larger half.

—C. B. Allan is no longer Denver special of the Northern.

—The Anglo-American Fire, Toronto, capital of \$1,000,000, is in the air.

—Mr. M. W. Torrey, the actuary of the Manhattan Life Ins. Co. of New York, is expected to visit General Agent John Landers of that company, in this city, within a few days. Mr. Torrey is visiting the several agencies of the company while en route to California. He will doubtless return to New York with pleasant recollections of his visit.

—DEATH.—O. C. Matthey, who for many years represented a number of San Francisco managers at North Cucomongo as local agent, is dead. He will be recalled by them as being a very satisfactory business man, being thoroughly conscientious and reliable. At the time of his death he was connected with A. C. Golsh & Co.'s insurance agency at Los Angeles. He died suddenly of brain trouble on August 25.

—On Wednesday, Oct. 5, the chairman of the executive committee of the Board of Fire Underwriters of the Pacific entertained the members of the committee at lunch at his residence, Brighthurst, Ross Valley, several hours being devoted to the consideration and discussion of topics of much importance to the Board. Those present were Messrs. Haven, Dutton, Callingham, Bertheau, Watt, Bailey, Folger and A. Stillman, and the host Mr. G. E. Butler. The day was remarkably fine, even for California.

—FIRE CO-OPERATIVE.—What does this mean (taken from *Freedom* of Edison, Wash.), and signed by the secretary, treasurer, distributor, editor and "M. W."? "We now have over \$5,000 worth of property liable to destruction by fire. Such loss would seriously cripple our work. In a few weeks we will have a system of waterworks affording much protection. At present we have no protection at all. Hence we call on each of our more than 3,000 members to subscribe for as many of the \$1 shares of insurance fund as he can pay on short notice. No money is to be paid in; but in case of fire each will be called on in proportion to the amount of his subscription. Send in your letters at once, stating how much you will take. We don't want to pay extortionate rates to the old-line companies, and so ask our own members to carry this risk on their own future homes. There will thus be no expense at all, except in case of loss, and then merely enough money to replace."

—Agent Wheeler of Los Angeles is in town.

—The Astoria merchants mutual scheme has "fallen in."

—John Tomlinson Griffith of Los Angeles was a caller last month.

—The Palatine has reinsured the Merchants & Manufacturers of Baltimore.

—The Amsterdam Casualty of New York is the latest. Dams break sometimes.

—It is said that the North German and Transatlantic will organize American companies.

—Following a "mysterious disappearance" there is often a report of a shortage not so mysterious.

—Young & Bianchi, Petaluma, Cal., have dissolved partnership. Mr. Young will continue the business.

—In the preliminary trial the Connecticut Fire won a decisive victory over the Kansas insurance superintendent.

—An English syndicate wants to buy an American life insurance company. The Mutual Reserve need not apply.

—George G. Potter, one of San Diego's leading insurance agents, has been spending a few days with his managers in this city.

—A Coast ex-fire chief was recently charged with incendiarism. He virtually confessed it by surrendering his policy for a nominal sum.

—David B. Sickels, vice-president of the American Surety Co., is a poet. He is the author of several recent verses, among them "San Juan."

—Dixwell Hewitt, assistant manager Phoenix of Hartford, has returned from an extended trip through Utah, Montana, Idaho, Washington and Oregon.

—F. W. Robinson, cashier of the Producers Savings Bank and agent of the L. & L. & G. at Bakersfield, is in the city, attending the Masonic Grand Lodge.

—Davis & Henry have been appointed general agents of the American Fire Ins. Co., of New York for the State of California. These gentlemen also represent the Greenwich of New York as general state agents, and several prominent companies as San Francisco city agents. The firm does a large city business both fire and marine.

—THE NATIONAL LIFE has re-entered Montana.

—The Hartford Fire has created the office of actuary.

—C. J. Stovel, of firm of Baggs & Stovel, has returned from a trip to southern California, having taken over the southern field of the American of Boston, previously reporting to Chicago.

—The Sun Insurance Office American branch (W. J. Callingham, general agent) reports in its semi-annual statement \$2,739,780 assets and \$1,088,648 surplus — both totals being larger than on January 1.

—THE CITY TRUST, Safe Deposit Surety, of Philadelphia, is still branching out, we see—this time in Tennessee. Ed. E. Potter is the Coast manager. The City Trust is accepted as sole surety by the national government.

—Firemen, local, might add to their income by accepting offer of "Manager," care *Coast Review*. District special agency or local agency, choice. By a little intelligent work, any fire local can pick up an occasional large life commission.

—Sample Mutual.—The Rockport Town Mutual, of Missouri, insured a country mercantile firm who believed in cheap insurance. A loss occurred (at Oakridge), was adjusted, paid by check, and then the secretary, who gave his personal check, stopped payment thereof.

—The Indemnity Fire Ins. Co., of New York—which is a good name—has been organized, with \$200,000 capital and \$100,000 surplus. As J. Montgomery Hare is president, and the new company is to be operated in connection with the Norwich Union's American branch, it is not a far guess to say that the Indemnity Fire is the enterprise of the Norwich Union people.

SAN FRANCISCO MAP WANTED.

Volume 5 San Francisco Fire Map

Is wanted by the undersigned. Office having copy for sale will please address

FRANK K. RUST,

Niagara Fire Insurance Company,

216 Sansome St.,

SAN FRANCISCO.

—Offer for Vol. V. S. F. Fire Map. See card.

—What became of the San Francisco base-ballers of California-Sansome-Montgomery-streets.

—St. Louis.—30 per cent. reduction on fire-proof hotels. So there is a fire-proof hotel this side of —

—The attention of solicitors and agents is invited to the card of the Realty Syndicate, which advertises for agents.

—The Phoenix of Hartford (Herbert Folger Coast manager), now has \$1,068,537 net surplus, a gain of \$46,000 in the half-year.

—The surest way to prevent competition in fire insurance is to abolish all boards and compacts. The survivors will have a monopoly.

—A. K. P. Harmon, district supt. Pacific Coast agencies of the CONNECTICUT MUTUAL LIFE has left for Portland, Seattle, Helena and Salt Lake.

—Editor Edwards would like an accident policy covering the hazard of "leg-pulling." He is a candidate for the office of member of State Board of Equalization from the first (or San Francisco) district; and if you notice him limping a bit you may know that it is not lameness. Mr. Edwards has lived so many years in California that he is practically a native son. He is a veteran of the Civil War, and it is not his fault that he was not shot many times. Mr. Edwards' ability, stability, reliability, affability and honorability make him a first-rate man for the place.

OFFICE BOY.

—\$200,000,000 EPOCHS.—The first \$200,000,000 period was arrived at in 1868, when the insurance in force in the MUTUAL LIFE reached the sum of \$222,378,427. In 1876 the total income of the Mutual Life had reached \$208,762,873.40. In 1881 the total disbursements, from organization in 1843, reached \$207,920 952.12. In 1883 the aggregate of the payments to policyholders amounted to \$205,839,925.46. It was in 1894 that the assets reached the \$200,000,000 (or \$204,668,432.59) mark. On November 30, 1895, the payments on account of death claims and endowments reached the sum of \$200,055,951.45 The last \$200,000,000 epoch arrived on Monday, August 29, 1898, when, by the payment of policy 196,407, for \$5,045, as a death claim, the total paid to policyholders on account of death claims alone reached the sum of \$200,001,349.26.

—Mutual fire companies must pay the stamp tax.

—General Manager Clunes of the London Assurance is in New York.

WANTED.

A few reliable men to act as

District Specials or Local Agents

for a first-class regular life insurance company, issuing up-to-date contracts. Can make satisfactory arrangements as to territory and compensation by applying to

"MANAGER,"

Care of THE COAST REVIEW.

LOCAL FIRE INSURANCE AGENTS

can materially increase their income by applying as above.



SAN FRANCISCO, CAL.

Authorized Capital, \$5,000,000.00

Assets Sept. 30, 1898, \$3,653,578.55

Capital Paid in, 1,704,150.00

Issues

INVESTMENT CERTIFICATES

In any amount from \$100.00 to \$10,000.00, payable in one sum or in installments.

Interest 6 per cent. per annum, payable semi-annually.

All profits in excess of 6 per cent. shared pro rata between capital stockholders and investors.

The Syndicate owns a large amount of choice Oakland city and suburban property.

The most important factor in the development and marketing of suburban property is the

RAPID TRANSIT STREET RAILROAD.

The Syndicate's railway interests control the entire Oakland, East Oakland, Berkeley, and Alameda street railway system.

Agents Wanted!

Good Contracts for Live Men!

14 Sansome St., San Francisco.

Industrial Life Insurance.

Four hundred and sixteen millions of visits per annum upon the industrial policyholders of the United States to-day is under rather than over the number which it is estimated the companies will be obliged to make. This is at the rate of 1,328,000 visits per day for every day in the year except Sundays. The companies have tried ways without number to reduce the expense of the business, and a fortune awaits the person who will invent a better plan than that in use. The schemes of the doctrinaires are impracticable. So the industrial policyholder buys his insurance by a costly method, just as he buys his coal in small quantities, and as he buys all the necessities of life—by retail. He can get it in no other way. But if just consideration be given to the labor involved in both branches of administration, home office and field work, it will be found that the services rendered by the industrial and the ordinary companies respectively, as related to any given volume of business, are as 18 to 1, while the cost of management is in the proportion of 24 to 1.

With regard to the infantile side of industrial insurance, it has suffered attack and abuse: but when it comes to be probed no business better survives the operation. If a child happens to be killed or maimed by a trolley, a just claim against the company is recognized under such circumstances and no slur is cast, when recovery is sought, by imputations about "making money out of the death of a child." The highest tribunals have held that the insurable interest of a parent in the life of his child is unquestionable. If the death of a child by the fault of another warrants a suit for damages, is not that same loss a proper thing to protect by life insurance—always within bounds so as not to encourage speculation in human life? Although exhaustive legislative inquiries have been made into the scope and operation of industrial insurance, no prohibitive or restrictive measures beyond those formulated from the companies' own rules have ever been formulated into law. The business, however, is not, as some people have supposed, largely infantile, but is rather family insurance.

The criticism is sometimes made that, because the lapse ratio of industrial companies is high the policyholders are losers and the companies great gainers. The facts of the case show the contrary. In one of the legislative investigations it was shown from the

books of one of the largest companies that, at the end of the first year, industrial policies showed a loss of 290 per cent. of their reserve; that the second year they had made up only 25 per cent. of the reserve liability; the third year they had made up but 52 per cent., and that it was the fourth year; before the company made up its reserve liability, let alone any profit. The records of the Metropolitan show that over 70 per cent. of the business issued on any given date is lapsed during the three years next succeeding. Of these lapses more than one-half occur during the first three months of the policy, and six-sevenths during the first year. The last calculation made by the Metropolitan regarding its loss through lapses showed that in 1896 the company lost \$813,000 from this cause alone. Yet, notwithstanding the greater opportunities for lapse in the industrial business, it compares favorably with ordinary business in this respect. Taking the last five years, the total insurance lapsed in the ordinary companies was 78 per cent. of the amount written in that period, as compared with 75 per cent. among the industrial companies. Last year the ratios were 73 per cent. in the case of ordinary companies with 65 per cent. in the industrials.

The foregoing is taken from a paper by President Hegeman of the Metropolitan. The higher mortality of the industrial classes owing to various causes, is shown by the following compilation:

DEATHS PER 1000.			
Age next birthday.	Farr.	Actuaries.	Industrial.
20	7.74	7.25	10.52
21	8.46	7.33	11.56
25	9.24	7.72	14.14
35	11.24	9.19	17.15
45	14.50	11.95	22.56
55	21.75	20.99	35.22
65	41.20	42.45	64.51
70	60.80	62.51	90.99

WANTED!

Competent and experienced

LIFE INSURANCE MAN

FOR THE WHEAT DISTRICTS OF
EASTERN OREGON.

Best opportunity in six years.

POND & McCANDLESS, Managers

MUTUAL LIFE INS. CO. OF NEW YORK,

Oregonian Bldg., Portland, Or.

THE COAST REVIEW.

The Review: The underwriters in various defunct Lloyds are squirming vigorously in regard to the claims presented to them, and there are some amusing conditions developed by their efforts to personally settle their liabilities without expert aid. In one case recently an underwriter paid up very satisfactorily all valid claims, but on presentation of a bill from an "umpire" in a disputed adjustment, said he had paid all manner of bills, but that he would be "hanged if he'd pay for baseball games."

A SPOKANE WANT.



WANTED! ---

AN EXPERIENCED LOCAL WANTS
EXCLUSIVE AGENCY FOR THE
CITY OF SPOKANE OF A GOOD
FIRE INSURANCE COMPANY HAVING
LARGE REINSURANCE FACILITIES.

ADDRESS ---

W. Fullerton,

Spokane, Wash.

(Formerly of Great Falls, Mon.)

THE Union Central Life

INSURANCE COMPANY,
Cincinnati, O.

ASSETS, Jan. 1, 1898 - \$18,705,130.31
SURPLUS, 4% Standard - \$ 2,611,370.91
Total Amount Insured - \$106,517,344.00

No Fluctuating Securities
Largest Rate of Interest
Lowest Death Rate

*Endowments at Life Rates and Twenty
Payment Guaranty Policies
Specialties.*

Large and Increasing Dividends to Policyholders
DESIRABLE CONTRACTS and
Good Territory open for LIVE AGENTS.

Address JOHN M. PATTISON, President, or
G. C. PRATT,

Manager Pacific Coast Depart't

405 Montgomery Street

San Francisco.

PACIFIC COAST DEPARTMENT

Franklin Fire Insurance Company

OF PHILADELPHIA. INCORPORATED 1827.

Surplus to Policyholders \$1,507,735.00

Williamsburg City Insurance Company

OF NEW YORK. INCORPORATED IN 1853.

Surplus to Policyholders \$1,185,148.00

ED. E. POTTER, GENERAL MANAGER.

508 California Street

SAN FRANCISCO.

The City Trust, Safe Deposit and Surety Company

Of Philadelphia

Incorporated 1886.

FULL PAID CAPITAL, - - - \$500,000.

ASSETS Jan. 1, 1898, \$2,768,690.78

This Company becomes Surety for the fidelity of Officers and Employees of Banks, Trust Companies, Railroad Companies, Express Companies and other Corporations.

It becomes Surety upon Contracts with the different States and Cities and with the National Government. It is accepted as Sole Surety under the Act of Congress passed August 13, 1894.

It is approved by the Courts as Sole Surety for Receivers, Assignees, Committees,

Administrators, Executors, Trustees and Guardians, and in cases of Attachment

Replevin, Appeal, Capias, &c., where bonds are required.

CALIFORNIA DEPARTMENT: - 508 California St., SAN FRANCISCO.

HENRY WADSWORTH, (Cashier Wells, Fargo & Co.) Resident Vice-President.

EDWARD E. POTTER, Resident Sec'y. FREDERICK S. STRATTON, Attorney.
AGENTS WANTED.

THE COAST REVIEW

A MONTHLY JOURNAL

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Annual Statements in This Year's Coast Review.

Etna Life February
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American, N. J. June
Atlas May
Caledonian July
Commercial Union June
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Connecticut Fire April
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Franklin Fire February
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Home Life February
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Mutual Life February
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OUR DIGEST OF RECENT INSURANCE DECISIONS.

Fire.

Directors Not Responsible.

Where an insurance company, notified of other insurance not indorsed on a policy, fails to recall or cancel it, return premiums or assessments collected, or the premium note, binding insured to pay premiums at such time and in such manner as insurer's directors might lawfully require, it waives a provision avoiding the policy for failure to indorse other insurance.—*Kalmutz v. Northern Mut. Ins. Co.*, 40 A. 816.

Notice of Forfeiture.

Where a notice is given under the provisions of a statute for the purpose of putting the holder of an insurance policy in default, and declaring a forfeiture for the nonpayment of premiums, such notice must conform strictly to the requirements of the statute, or it will be void.—*Dubuque Fire & Marine Ins. Co. v. Oster*, 74 Ill. App. 139.

Title.

A policy issued to an unincorporated company on realty, which provides that it shall be void if the interest of insured be other than unconditional and sole ownership, or if ground is not owned in fee simple, is not avoided because such unincorporated concern, could not take a conveyance of the legal title to the property. It is sufficient if the persons composing the concern are the absolute equitable owners of the property and held the

same free of all conditions or claims of other parties.—*Missouri Savings Ass'n v. German American Ins. Co.*, Kansas City, C. A.

Subrogation.

A railroad company leased a part of its right of way to W. on which he erected a warehouse. The lease provided that the company should not be liable for damage by fire. W. assigned the lease to B., a director in the company. Plaintiff insured M. company's property in the warehouse, which was destroyed by fire communicated by the railroad company's engine. Plaintiff paid the loss and sued the railroad company, claiming it was subrogated to the rights of the M. company. Held, that plaintiff was so subrogated, but that the M. company, by accepting the lease, released the railroad company.—*American Central Ins. Co. v. Chicago & Alton Ry. Co.*, Kansas City, C. A.

Assignment.

The plaintiff sued as assignee of the insured and offered in evidence a certain written instrument executed by insured which authorized the plaintiffs "to collect and receipt for any sum or sums that may be found due me under the following policy * * * after said loss shall have been adjusted between myself and the adjusting agent of said companies." This offer of the plaintiff was rejected. There was no allegation in the petition or proof that there had been an adjustment made of the loss between the insured and the companies. Held, That until such adjustment took place, the authority conferred was inoperative, and the legal rights of the insured under the policy remained unaffected; and, accordingly, the trial court did not err in rejecting said offer.—*Frankenthal et al. v. Guardian Assur. Co.*, Kansas City, C. A.

Vacancy Clause.

The building insured was in course of construction. The policy contained the usual printed provision that if the building insured became vacant or unoccupied and so remained for ten days the policy should be void; also that permission was

granted for mechanics to be engaged for fifteen days in making alterations or repairs. There was a slip attached to the policy on which was written the following: "Thirty days granted to complete construction and occupy as dwelling the building insured." Held, that the written indorsement prevailed over the printed condition, and the building not having been completed and occupied within thirty days, and having been destroyed after the expiration of thirty days and before the same was complete and occupied, insured could not recover. The ten days or fifteen days could not be tacked on to the thirty days.

Mortgagee Clause.

A mortgagee clause was attached to the policy under which the loss was made payable to a building association, mortgagee, and provided that the insurance should not be void as to such mortgagee by reason of any act or omission on the part of the mortgagor. The company acknowledged its liability to the building association, under the provisions of the mortgagee clause, but in its correspondence with the building association, prior to the settlement of the loss with it, at all times disclaimed liability to the plaintiff. Held, That the mortgagee clause operated as a separate and independent contract of insurance with the building association, and that the acknowledgement by the company of its liability to indemnify the building association, can not be construed as a waiver of its defenses as to plaintiff.

Waiver.

After the loss the adjuster of the company visited the place of loss, but there was no evidence that he called upon the plaintiff, or that he went there with any intention of adjusting the loss or that he attempted to do so. Held, That an insurance company has a right to send its adjuster to the scene of the loss without running the risk of having its action attributed to an intention to waive breaches of the conditions in the policy.—*Burnham v. Royal Ins. Co., St. Louis, C. A.*

Title.

The purchaser of mortgaged property did not record her deed until after suit brought to foreclose the mortgage. Before expiration of time for redemption an insurance policy was issued to her which stated her interest in the premises as being her building, and provided that unless her interest was truly stated therein it should be void, and that it was to be void if such interest was not unconditional and sole ownership. The company contends that the facts as found show that the plaintiff was not the sole and unconditional owner, because she held title from the mortgagor whose mortgage was foreclosed, and only an equity of redemption remained to her. Held, That the policy correctly stated insured's interest, and that her failure to record the conveyance only affected her title as against a purchaser at the foreclosure sale if there should be no redemption.—*Breedlove v. Norwich Union Fire Ins. Soc., Cal., S. C.*

Parol Contract.

Where nothing is stipulated in a preliminary agreement to insure, so far as it respects the kind of policy to be issued, the law presumes that the party contemplated the policy ordinarily employed by the company to cover property of the kind designated in the agreement; and this, whether insured sues in equity for specific performance of the agreement and for damages in pursuance thereof, or at law directly on the agreement for damages for a breach thereof in neglecting to issue the policy.

Waiver.

Where in the course of the negotiation of a preliminary agreement for the issuance of a policy, no inquiry is made touching incumbrances, and no intimation is given applicant that they would affect the insurance, the denial of the agreement, and the withholding of the policy by the company, waives a condition in the policy against incumbrances.—*Sproul v. Western Assur. Co., Oregon, S. C.*

Life.**Directors not Responsible.**

Where the directors of a co-operative life insurance society honestly believe it to be incorporated, and so represent it, such a representation is not fraudulent, although the society be not legally incorporated.

The agents and directors of a co-operative life insurance society chosen by the members of the society to conduct its affairs cannot, in the absence of fraud, be held responsible by a member after the insolvency of the society for money paid to the society, and paid out by it under its articles and rules.—*Perkins v. Fish*, 53 P. 901.

Older Than Stated.

If an applicant declares in the application that the statements therein are true, "to the best of his knowledge and belief," and consents that any untrue or fraudulent statement shall forfeit his right, a recovery cannot be defeated by evidence that he was three or four years older than he stated, without evidence of fraud, or of knowledge or belief on his part that his statement was not true.—*Egan v. Supreme Council Catholic Benev. Legion*, 52 N. Y. S. 978.

Delivery, but No Premium Paid.

An application provided that any policy issued thereon should not go into effect until the first premium had been actually paid during the lifetime of insured. The policy was delivered to insured, an attorney of the insurance company, some four months before his death, but no premiums were paid. The complaint alleged a special agreement waiving payment of the premium, which was only proven by showing that the company in its report to the insurance department, shortly before the death of insured, reported the policy under the head of policies at present in force. The company showed, however, that they reported such policies as were outstanding at the date of the report, subject to correction by later reports if they lapsed in the meantime. Held, that no cause of action existed in favor of the beneficiary.—*Poste v. American Union Life Ins. Co.*, 52 N. Y. S. 910.

Waiver.

When the general agent of an insurance company has knowledge of frequent violations by a sub-agent of a rule of the company prohibiting the acceptance of notes for premiums, and makes no serious objection, the company must be deemed to have waived the application of the rule.—*Mutual Life Ins. Co. v. Logan*, 57 F. 637.

A condition in a policy of life insurance, that no action shall be brought on such policy after the expiration of one year from the date of the death of the insured, is for the benefit of the company, and may be waived by it.—*Covenant Mut. Life Ass'n v. Baughman*, 73 Ill. App. 544.

Use of Liquors.

Insured stated in his application that he had never had any "other illness," local disease or personal injury, and that, to his knowledge, there was not then existing any disorder or weakness tending to impair his constitution. He further stated that he had used liquors, but at the date of the application he was strictly temperate. One of the physicians had told him at the date of his sickness that, if he did not stop drinking, he would die. Held, that considering that insured might have thought the illness was due to his drinking, which he had stopped, at the date of the application, the question was for the jury whether it was of a character material to the risk, within Act June 23, 1885, § 1, providing that no false statement, made in good faith by the applicant, shall effect a forfeiture unless it relate to some matter "material to the risk."—*Keatley v. Travelers' Ins. Co.*, 40 A. 808.

New By-Laws.

Parties forming a fraternal benefit society have power to contract with reference to future by-laws or change of by-laws, and, if they do so contract, new or changed by-laws are enforceable against them, even if they increase the burden of some or all the members. *Fullenwider v. Supreme Council of Royal League*, 73 Ill. App. 321.

Beneficiary.

The death-benefit certificate of a member of a beneficial society was payable to Josephine D., his wife. After his death another claim was made, on behalf of one claiming to be his lawful wife. Held, that the person named in the certificate was entitled to the fund, whether or not she was decedent's lawful wife.—*Ducksbury v. Supreme Lodge, Shield of Honor*, 4 Lack, Leg. N. 172.

Lien.

Where a lien on a fund created to secure payment of death benefits under St. 1891, p. 126, §§ 2, 4, relating to assessment life insurance corporations, attached pending an action on a policy, the establishment of such indebtedness by final judgment gave the right to enforce such lien, and it attached to the judg-

ment, and continued until same was satisfied; and hence such lien did not, by virtue of Civ. Code, § 2911, providing that liens shall be extinguished on the expiration of the time within which an action may be brought on the principal obligation, become extinguished on the lapse of such period of limitation from the time the lien attached.—San Francisco Sav. Union v. Long, 53 P. 907.

Change of Beneficiary.

The petition in a suit brought against a benefit insurance company and the illegitimate son of a deceased member, by the wife, as sole beneficiary under a policy in said company taken out by the husband, alleged that plaintiff had for a number of years paid all the dues upon the policy, was named as the sole beneficiary, and had possession of the certificate; that the certificate was afterwards taken from her possession without her knowledge or consent, and the illegitimate son was by the insured substituted for her as beneficiary; that the insured had no right, under the rules of the company, to make this change; and that due proof of the death of her husband and demand upon the company had been made. Held, that the petition was not demurrable at the instance of the illegitimate son, for want of equity.—Beckner v. Beckner, 30 S. E. 622.

Accident.

Responsibility for Agent.

Where the company's agent who filled out the application was informed by the insured as to the facts, and failed to state them in the application, or to state them correctly as given, the company is estopped to insist that the representations of the insured were untrue.—Standard Life & Accident Ins. Co. v. Davis, 53 P. 856.

Medical Hypothesis.

A mere hypothesis of medical experts, derived from the result of an autopsy, that death which occurred a month subsequent to a given accident, was indirectly caused thereby through shock, is insufficient to carry the case to the jury, where it does not appear that the deceased ever complained of shock, or of the injury, for some time prior to death, and other medical testimony is contradictory. Thurber v. Commercial Travelers' Mut. Acc. Ass'n, 52 N. Y. S. 1071.

Other Insurance.

Where insured agreed in his application for a life policy to cancel a policy then in ex-

istence, his failure to do so does not forfeit the policy issued on his application.—Commercial Mut. Acc. Co. v. Bates, 74 Ill. App. 335.

Reinsurance.

An insurance company which offers to issue, free of charge, to the policyholders of an insolvent company, its own policies for the period for which premiums have been paid in the old company, is bound, on acceptance of its offer, only by the stipulations in its own substituted policy, and not by those in the original policy of the insolvent company.—Brown v. United States Casualty Co., 88 F. 38.

Exemption from Poisoning.

Insured had two teeth extracted by a dentist, that there was a diseased condition of the membrane surrounding some of the teeth. The extracting caused a rupture of the upper maxillary artery, or a branch of it, from which a violent hemorrhage ensued, and to stop that the dentist plugged the cavities with cotton. Blood poisoning ensued from the absorption into the system of some chemic poison supposed to have been caused by the propagation of disease germs in the cotton, the seat of the affection being where the teeth were extracted. The blood poisoning progressed to a fatal determination. Held, that under a policy insuring a person against bodily injury sustained by external, violent and accidental means, with a provision for payment to a beneficiary or beneficiaries in case of death from such injuries within ninety days therefrom, independently of all other causes, and with a condition that the liability of the insurer shall not extend to injuries, fatal or otherwise, resulting wholly or in part from poison or anything accidentally or otherwise taken, administered, absorbed or inhaled, a death under such circumstances as above stated is within the condition set forth and creates no liability against the insurance company.—Kasten v. Interstate Casualty, Wis. S. C.

Within the past year there have been in this city hundreds of places where from fifty to one hundred gallons of gasoline were stored, with families living immediately over such magazines of destruction. What was the remedy? Not the city ordinance, because the violation of such is not learned until the insurance companies, board manager or inspector discovers the danger, warns the delinquent, notifies the proper authorities to enforce the law, and until the evil is removed makes such a rating for the hazard as will

cause the owner of building to demand a correction of the evil for his own protection, a penalty which the compact manager may apply according to his judgment.—Brown.

Examination of the Continental Insurance Company.

The examiners from a Western state's insurance department, that of Kansas, recently inspected the condition and affairs of the Continental Insurance Company of New York. They checked up the cash and securities, and looked at the real estate. And they found out just what everybody knew and nobody doubted, to-wit: the Continental is O. K. and its annual statement, as filed with the various departments, was correct to a cent. We quote as follows from the report of these official examiners:

"The real estate consists principally of two pieces of property, office buildings, one in New York and one in Brooklyn. They are good investments.

"The principal item of assets is \$6,534,231 stocks and bonds. They are an exceptionally finelot, and at the date of examination the current market quotations were much higher than the prices at which they are listed in the statement.

"An investigation of the losses unpaid shows that the amount reported was correct. The manner of adjusting losses by this company was found to be thorough and complete, it seeming to be the policy of the management to settle loss claims in a just, equitable and satisfactory manner, and to avoid all litigation with claimants when possible. To this end it is the rule of the company that before any adjuster or manager shall allow any claim against the company to be litigated, it must first be passed on personally by the president, vice-president and the head of the loss department.

"At the date of our examination the company was found to be in a sound financial condition and doing a safe and conservative business.

"The value of its assets was greater than at the date of its statement, January 1, 1898, due to an appreciation of values and a thorough and economical business management."

The examiners give the following summary of the condition of the Continental on January 1, 1898:

Cash in banks and trust companies and on hand	\$ 227,272 41
Loans on bond and mortgage (on real estate worth \$246,100)	\$5,860 00
U. S. and other stocks and bonds owned by the company	6,534,231 00
Real estate owned by the company	1,166,250 00
Premiums in course of collection	558,455 61
Interest and dividends due and accrued	68,907 82
Rents accrued	1,230 84
Total assets	\$8,582,207 68
Reserve for insurance in force	\$3,666,749 49
Reserve for losses in process of adjustment	316,585 74
Reserve for commissions, taxes and all claims	180,876 97
Reserve for contingencies	300,000 00
Cash capital	1,000,000 00
Net Surplus	3,117,995 48
	\$8,582,207 68

A Very Good Suggestion.

In nearly all states the law leaves it to the discretion of the commissioner to make examinations, and this law creates an evil because it permits and requires the companies examined to pay the expense of such examination, and thus offers the incentive for the fees and perquisites to the commissioner and others. It seems to me that the solution of this evil would be: a law requiring the commissioner of insurance to annually examine the companies of his own state at the expense of the state. To require of all companies applying for admission an application fee to be paid into a department contingent fund, out of which all necessary expense of examination shall be paid. To permit the commissioner at any time to examine companies of other states whenever he may deem it necessary for the protection of the people of his state—the actual expense of such examination to be paid for by the state.—Fricke.

OLD MAN BROWN, who was seldom seen out of doors without a large umbrella tucked under his arm, was one day accosted thus by a friend: "Say, Brown, why do you always carry an umbrella, rain or shine?" "Better have it and not want it than to want it and not have it," was the laconic answer. Same applies, only with a thousandfold greater force, to the carrying of an accident insurance policy. There are some people who are dissatisfied unless they are hurt sometimes, and thus enabled to claim damages; but these are chronic grumblers, and their number is growing less every year. The most sensible people are they who carry all the insurance they can afford, accident as well as fire and life; who freely appreciate and set a high value upon absolute and continuous exemption from any loss that might arise through unforeseen causes.—*Indemnity*.

Courts and Corporations.

A paper on "Public Policy as an Element of Judicial Construction," by Frederick Bausman of Seattle, was read at the recent meeting of the State Bar Association of Washington. Mr. Bausman conclusively proved by the reports of cases that the attacks on Federal courts for alleged partiality to corporations in their decisions were wholly undeserved. In railway cases in the United States supreme court, for example, for four years past there are forty-eight decisions in favor of railway parties and ninety-six against them. Mere jurisdictional and bondholders' suits were not included. On questions of taxation seventeen cases are decided against the railway people and only three in their favor; of personal injuries, twenty-five against to fourteen in their favor; of public lands, eighteen against to seven for; and of municipal or State regulation, ten against to three for. We are of opinion that the proportion against insurance corporations is even greater. The lower Federal courts, in the above cases, Mr. B. finds have been affirmed forty-nine times and reversed in nineteen. The appellate courts have been affirmed in thirty-four cases and reversed in but eight. All this talk about the Federal courts being in sympathy with wealthy corporations is based on the falsehoods of demagogues.

Not a Cent for Tribute.

To boodle or not to boodle—that is the question. It may be said that threatened interests have the right of self-protection, since self-preservation is the first law of Nature. This may be granted, if self-preservation is actually at stake. But as to mere protection—what is really to be gained as long as the d—d bought don't stay bought? The fact that corporations have not all the rights of citizens hardly warrants conduct not compatible with the duty of a citizen, for the directors of a corporation are citizens. Corporations, like citizens, should be "in politics"—with judgment, energy and well defined purposes, for the election of

good men, the defeat of bad men and the frustration of evil measures. To ignore these duties, and to tolerate the election and schemes of bad men, is to invite blackmailing and all manner of restrictive legislation.

At a recent meeting of underwriters in a Western city, United States District Attorney Evans spoke as follows on this subject:

"I think that the charge of boodlism or the actual existence of boodlism in our state legislatures and in our city councils and other legislative bodies is one of the greatest dangers that threatens this American republic. As honest men, as patriotic men, believing in this great country of ours and its future, with its influence upon mankind the world over, one of the highest duties and the greatest pleasures of the American citizen ought to be to stamp out and eradicate this evil. You cannot do it by temporizing with it. And while I would not intimate that any insurance company or insurance man here to-night has ever listened to the suggestion that in order to protect ourselves we must meet their demands, I say to you, you are making the greatest mistake in the world, if ever such a suggestion has come into your minds and found lodgment there.

If we have boodlism it is the result of boodling. I have heard men say, who stand high, or stood high, in the community, that sometimes these great interests could not be blamed for meeting the demand of some man who held in his pocket a bill to be presented to the legislature or which had been presented, which would adversely affect the great interests which he represented. Gentlemen, I do not believe in any such sentiment as that. We had better apply to such companies the old cry, "Millions for defense, but not one cent for tribute."

Let the man who would attack the integrity of our great institutions by adverse legislation know and understand that he can never benefit one iota by his act, and if he be dishonest the motive for which he presented it is gone. Let him understand that not one cent will be paid, and if he be a rogue, the motive which prompts him is gone, and his measure is dead. And let honest men in the legislatures, with whom you meet, understand that you come, not clothed in the panoply of wealth, but backed by the integrity of your institutions, by the integrity

of their motives, and their management, to appeal to their intelligence and their patriotism, and you will not suffer by adverse legislation."

Reinstatement of Buildings.

FROM A PAPER BY W. E. GATES, READ AT A RECENT MEETING OF THE INSURANCE INSTITUTE OF NEW SOUTH WALES.

This is one of the earliest stipulations found in fire policies, and it appears in the policies of the Hand-in-Hand Company as early as 1696. Nowadays, when the office has a free hand, reinstatement is only resorted to when all other means of settlement have failed, and in these colonies at least it is probable that where it is availed of the loss is a "fishy" one. In the early days of insurance the contrary seems to have been the case; in fact, it would almost appear as if a suspicious fire was followed by a cash settlement and a straightforward fire by reinstatement, for we find that in the event of a cash payment the policy, which was always taken out for seven years, was terminated, whereas the policy continued in force as a result of reinstatement.

Another peculiarity to be noted is that in the policy of the Sun Fire Office, dated 1787, provision was made for the reinstatement of goods, but not of buildings. Nowadays the option to reinstate is a reservation for the benefit of the insurer, and in the absence of any law bearing on the subject, he cannot be compelled to reinstate against his will. It is to be noted, however, that should he elect to reinstate he is bound by such election; conversely an election to pay cash is equally binding. Before electing to reinstate it is well for the insurer to thoroughly consider his projected action. The necessity for this is shown by a case cited in Bunyon, in which after the insurer elected to reinstate, the walls remaining after the fire, which it was intended to use in the rebuilding, became dangerous, and were ordered to be removed by the city authorities. Nevertheless, the insurers were held bound to put a new house.

Again, after a reinstatement had been completed, the old walls not bearing the weight imposed on them, bulged, and notwithstanding that the assured had given the builder employed by the company a certificate that the building was complete, he (the assured) recovered damages against the company for improper reinstatement. The company was

also unsuccessful in an action against the builder for breach of his contract in not properly reinstating the building. It would appear, therefore, that the reinstatement of a partially-destroyed brick or stone building is a very hazardous undertaking, to be avoided at almost any cost.

In England, the election of the insurers as to whether they will pay cash or reinstate may be taken out of their hands by the provisions of the 83rd sec. of the 14th Geo. III., c. 78, which section, on the repeal of that Act, was re-enacted in the London Metropolitan Fire Brigades Act of 1865. The section is as follows:—

And in order to deter and hinder ill-minded persons from wilfully setting their house or houses or other buildings on fire, with a view of gaining to themselves the insurance money, whereby the lives and fortunes of many families may be lost or endangered; be it further enacted by the authority aforesaid that it shall and may be lawful to and for the respective governors or directors of the several insurance offices for insuring houses or other buildings against loss by fire, and they are hereby authorized and required, upon the request of any person or persons interested in or entitled unto any house or houses or other building, which may hereafter be burnt down, demolished, or damaged by fire, or upon any grounds of suspicion, that the owner or owners, occupier or occupiers, or other person or persons who shall have insured such house or houses or other buildings, have been guilty of fraud or of wilfully setting their house or houses or other buildings on fire, to cause the insurance money to be laid out and expended, as far as the same will go, towards rebuilding, reinstating, or repairing such house or houses or other buildings so burnt down, demolished, or damaged by fire; unless the party or parties claiming such insurance money shall, within sixty days next after his, her, or their claim is adjusted, give a sufficient security to the governors or directors of the insurance office where such house or houses or other buildings are insured, that the same insurance money shall be laid out and expended as aforesaid; or unless the said insurance money shall be in that time settled and disposed of to and amongst all the contending parties to the satisfaction and approbation of such governors or directors of such insurance office respectively.

It will be noted that the insurers are only bound to lay out the insurance money "so far as the same will go" in the reinstatement, etc. And this is only right in cases where the insurers can exercise no option in the matter. Now as regards cases where it remains with insurers as to whether they will pay cash or reinstate. Some years ago a discussion took place before this Institute on the question as to whether it would be a good and

sufficient reinstatement of a building to expend the amount of the policy in reinstating, notwithstanding the amount did not complete the building. The question was generally answered in the negative, and I think rightly so, for the following reasons: In the first place, the word reinstatement necessarily means the restoration of a thing to the condition in which it was before the happening of the contingency necessitating such reinstatement, and in fire policy conditions the word is either used alone or in conjunction with other words which are expressed to mean the restoration of the thing destroyed to its original condition; whereas in the statute to which I have referred it is used in conjunction with the words rebuilding or repairing, which unless amplified in the manner above referred to have a more restrictive meaning than the word reinstatement. Secondly, the insurers have the option of paying cash should the cost of reinstatement prove too high; and if in the latter respect they should make a miscalculation, it is only right that they should bear the burden of their own mistake. A distinction must also be drawn between a special contract, under which head the condition in policies as to reinstatement comes, and an obligation imposed or an option permitted by law. In the latter connection it is to be noted that under the statute I have quoted, not only were the insurers compelled to lay out the money in reinstatement, etc., by interested persons as there directed, but in addition, should they have any grounds of suspicion that the insured has been guilty of fraud or of setting fire to his place, they had the power of their own volition to similarly expend the money, also "as far as the same will go" only. I venture to express the opinion that the foregoing is the reason why there are no English cases in which the question asked before the Institute on the occasion named was brought up, more especially when it is remembered that the provisions of the statute referred to have been legally decided to extend to England and Wales only. Some opinions were expressed at the discussion previously referred to that this statute was still in force in this colony, having been one of the laws in force before the introduction of responsible government here, but what I have written above would appear to negative this view, although it is interesting to note that after the great Sydney fire in 1890 notice to reinstate was served by some tenants on their landlord's insurers, presumably as a sort of lever to obtain some other object.

SAD COMMENTARY.—The *Post Intelligencer* prints a portrait, under which the following appears: "Chief Moore of Los Angeles: one of the best known fire-fighters on the Coast and a power in California politics." It is the system, not the chief, that provokes us to say that this is a sad commentary on the intelligence and good citizenship of our people. Our firemen are politicians, and get and retain their places for political work.

PERTINENT AND IMPERTINENT.

The monthly *Insurance Press* is admirably industrial.

Kind or unkind to a Philadelphia contemporary, that heading, "Philadelphia Intelligence" in *T. I. P.*

A fellow feeling makes them so kind, that blackmailing insurance journals can not conceal their sympathies with blackmailing insurance commissioners.

British *Blackwood's* speaks of the "swarthy" American soldiers at Manila. To us San Franciscans who saw 10,000 blondish men marching down Market street, this is funny.

Now that the war is over, it may not be too much to hope that the dailies and weeklies and monthlies may secure war articles written by somebody besides a reporter—say, by a soldier.

About the best all round insurance weekly in the world is the *Weekly Underwriter* of New York, even if it be lacking in respect for Congress. It does not hesitate to call a blackmailer a blackmailer.

HOT SHOT.—The alternative of removing to Kentucky had not occurred to us, because, with all Connecticut's faults, most of its inhabitants prefer to remain here rather than to emigrate to a state where one can kill a friend without any serious consequences to himself. Government by commissions is by some people preferable to government by pistol.—*Insurance Journal*.

One of the speakers at a recent convention referred to the Louisville Curio as follows: "The habit of many non-professional writers on insurance of ignoring the unearned premium liability is a source of annoyance to underwriters. Recently a Western editor, less widely known as a thinker than as a writer, has denounced the insurance companies because of what he calls their extortionate rates. Under his method all premiums are fully earned on payment and no offset is allowed for future obligations."

Business of London says: It appears to me that some directors of insurance companies are as hard-hearted as magistrates. *Individually*, they would shrink from inflicting a hardship, or committing a crime; *collectively* they act as merciless tyrants. This lack of human feeling in groups of men takes an even more cruel form in some States of America where negroes are roasted alive by hordes of

whites. Yet very few of them as individuals would dream of committing such barbarities. This fact has so struck a thoughtful Frenchman, M. Le Bon, that he has written a very instructive and entertaining work entitled "The Psychology of Crowds."

Great Reward of True Grit.

America has a number of large fire insurance companies, but it would have more if stockholders would be content with smaller dividends for the first few years. A large business can not be built up if large dividends must be paid from the beginning. A wide field must be covered and an attractive surplus must be created: the former costs money and the latter requires temporary self-denial or phenomenal luck. We recall a number of American companies, beginning with fair prospects but hampered by the stockholders' greedy demand for immediate and unreasonable dividends. The managers retained their "jobs" only by yielding to this demand, and were therefore obliged to restrict business to a narrow area and underwrite as gamblers instead of conservative dealers in averages. Even in the narrow home area the choicest risks could not be secured, because the payment of too liberal dividends kept the surplus down to the vanishing point. These are not the methods, these are not the stockholders, to build up large and flourishing fire insurance companies.

The best example of true grit and sound judgment in the history of insurance is to be found in the record of the Liverpool & London & Globe Ins. Co. The company's first year, 1836, returned losses in excess of the premiums. Here was a discouraging beginning. We fear that, under the circumstances, American stockholders would have straightway hunted for a re-insurer. Next year, however, the losses were double the premiums; and next year they were 50 per cent. more. There were three years of losses greatly in excess of premiums. The stockholders had good reason to feel discouraged; but undismayed they assessed themselves and paid everything. To-day this English company is one of the largest and most prosperous institutions in the world.

The stockholders were richly rewarded for their grit.

Another fine example of courage and good judgment on the part of stockholders occurs in the history of the Fireman's Fund Ins. Co. of San Francisco. The Chicago fire in 1871 swept away its capital, but the stockholders paid all losses and recreated the capital. To-day the Fireman's Fund is one of the most flourishing companies in America. Other American companies paid immense losses in that conflagration and repaired their capital, and were likewise rewarded by the perfect confidence which enriched their business in volume and character.

Survival of Barbarism.

History repeats itself, as Horace Greeley said. This is as true of small groups of society as of nations. In new disguises the same disturbing causes are constantly at work in human society, and old evils appear in new forms. Civilization itself, as some philosophers think, is only veneered savagery, which with refined cruelty still carries on a war of destruction, for the idol Competition. Highwaymen of the Claude Du Val or Dick Turpin stripe are no more, but the necessity, temptation and opportunity still exist for their kind, and we find them agreeably disguised in the fine raiment of promoters and officials of speculative schemes, or of government officials clothed with authority which they abuse in order that they may levy tribute. These are the modern highwaymen, or pirates if you prefer the term. We need not go all the way to the Spanish colonies to find them. They are everywhere. We have the government official type even here in free America, often a useless commissioner of some sort, invested with discretionary authority. He knows that he has power to annoy and damage, with small chance of impeachment; and, if a dishonest man, he levies unlawful tribute on those subject to the authority of his office. He may cleverly impose this tribute in the disguise of the solitary honest official enforcing the law for the first time, or of a pretended friend of the dear people. He may even, for his personal safety, treat it as a "voluntary" contribution, though collected at the muzzle of a gun. Probably no American office presents more favorable opportunities for the official Dick Turpin than that of insurance commissioner under the average

statute. He can pretend that any or every company requires an examination of its affairs. This is an expensive process, if thorough; and he can make a cursory examination of no value and charge and collect a good round profitable sum. But it is merely robbery or blackmail under the form of law. Like old highway robbery, the absence of resistance only stimulates the search for new victims and multiplies the number engaged in the nefarious work. Nothing encourages the robber so much as the cowardice of the robbed—individual or corporation.

The cruelty and viciousness of the past appears in new forms at the close of the nineteenth century. A great orator recently questioned whether the cannibals, who knocked captives in the head and boiled and ate them were not more humane than the New Yorkers who run sweat shops and fatten on the sufferings of women and children. The cannibal inflicted momentary pains, while the sweat-shop slave-drivers prolong lingering agony for years.

The author of a book on the Orient says something apropos, to-wit: "Physical punishment is going out of fashion. To inflict mental pain is more refined; and the blame for inflicting it can be more easily shifted. It is also more likely than vulgar physical penalties to arouse the humor rather than the sympathy of the community. The Zil-i-Sultan [who cut out the heart of an offending merchant] would have received quite as exquisite satisfaction himself, and he would have escaped the condemnation of public opinion, and given pleasure to many who are diverted by the sufferings of others, if he had maintained a newspaper as an organ. In his periodical he could have exquisitely tortured the merchant by dark insinuations against his character, by suggesting the infidelity of his wife, and in other ways holding up his quivering heart for the public to gloat on, and then declining to publish his denial of the charges. Human nature is little better now than formerly; each epoch has its special forms of malignity and tyranny."

Local Fire Underwriters' Association.

Action was taken upon one new subject at Detroit—jumbolines. The resolutions adopted recommend agents not to offer them and request companies not to accept them. There is sometimes a temporary advantage in writing such lines, but in the end it is better for both company and agent that only a net line be written and the surplus exchanged by the

agent for the surplus of his fellow agent. The jumbo line is a quiet but effective ally of overhead writing and is equally dangerous.

The pledge of the St. Louis platform to oppose overhead writing was reaffirmed and developed at Detroit by action which commands itself to those who desire a solution of this problem. The Western Union and other organizations of companies and managers have gone on record against the evil. A very large majority of the companies have individually expressed their opposition to it and not one president or manager, field-man or agent has to my knowledge approved the practice. Many companies advised us that in their opinion overhead writing would never be discontinued until local agents took a stand against it. Some companies reminded us that if local agents did not draw the line sharply between the companies who indulge in the practice and those who do not, they would fail in their duty to those who absolutely respect the territory of their agents. This evil, while generally admitted to be injurious to both companies and property-owners, is especially grievous to local agents; and as it is increasing alarmingly, in some sections at least, we were compelled by self interest, by the wishes of our superiors and by the welfare of all concerned to legislate positively against it. We realize that on the general lines upon which our association must necessarily work there is an entire community of interest, and that we cannot hope for the measure of success we desire without harmony and practical unity of action among presidents, managers, field-men and local agents. It is possible that our proposed procedure is not the best, although it is not likely that we have made a mistake on this point after the study given to the matter by our officers and members, and after the advice that we have received from all sides.

Unless a better and more practicable plan is suggested, our executive committee, in compliance with the instructions of the association, will as soon as possible write all companies doing an agency business, respectfully requesting them to define their position upon this question. After a reasonable time for consideration and response the executive committee as further instructed by the association will publish an alphabetical list of those companies which state in their replies that hereafter their local agents will receive a commission upon all business written by the said companies—either directly for the owner or as reinsurance,—in the territories assigned

by them to their local agents, except upon insurance covering "railroad schedules which include rolling stock." The companies thus placing themselves upon this list will indicate definitely to local agents that they are entitled to preference.

In considering what we can and ought to do for our associated work many of us will take into account the satisfactory relations existing between our companies and our customers and ourselves and will query, "Why should we expend time and strength in agitating matters in which we have no direct interest?" The answer will come to those who think deeply and reason correctly, that where there is no effort for improvement there is inevitable retrogression ending in total extinction; and that however fortunate our conditions may be as individuals, we can not for any considerable length of time escape the injurious effects of injustice, wrong doing or mistakes which exist anywhere in the vast business of which we are a part. The duty of every man interested in our business is clear, and he who shirks it, living on in passive endurance of the evils that exist, and caring nothing for the reforms that are needed—drifting with the tide or meeting wrong doing with worse doing—will miss the rewards which come to him who serves a worthy cause.

The insurance fraternity may be likened to a great family. Our interests are so inextricably interwoven that what is good for one is good for all and what is bad for one is bad for all; and that which reflects upon one tarnishes all who are engaged in the business. We have our family jars, but the less we magnify them with loud talk and hasty condemnation of the acts and motives of each other, the more money and comfort we will all have. We know the shame which attaches to all in the family when one member airs the family quarrels and scandals before the general public, and we appreciate the disgrace to all connected with the family when one member appeals to the courts to settle differences or for the purpose of righting an individual wrong. Let us then, as sensible members of the great fire insurance family, be animated by a brotherly regard for our fellows, remembering that in failings and virtues we are very much alike. And for our own honor and the credit of our profession, let us settle our differences among ourselves and hesitate long and suffer much before we resort to legislation to enforce what we believe to be our rights.—C. H. Woodworth.

The Ideal Life Insurance Company.

First, it will put its premiums upon "a mortality table based on the experience among selected lives," as to lives which come within that class.

Second, as to lives which are not strictly select, rates will be made corresponding to the degree of impairment, which will be safely done, owing to the "careful observations of skilled specialists," and by these discriminations "equity will be maintained more completely than in these times when each applicant is measured by the Procrustean rule."

Third, a rate of interest will be assumed in calculating premiums and reserves "which will be so low as to render it certain that the returns to be received on safe investments will not fall below it."

Fourth, "the conditions of the payment of the policy at maturity will be of the simplest character," because the applicants "will be rated with such discriminating care."

Fifth, each policy "will contain a stipulation for a value upon surrender, which will be the least amount which should be granted, but as the physical condition of the insured may be an important element in the worth of his policy, an examination may be submitted and accepted as an element in proof of the real sum which should be paid."

Sixth, cash surrender values and loans "will be freely granted on the assumption that a member can judge and decide for himself what he needs as intelligently as he did when he paid his first premium."

Seventh, mortality and interest assumptions leaving safe margins, "there will be need of but little surplus, and apportionments of earnings will be made frequently."

Eighth, "the whole object of this company will be to supply for an equitable price, protection against the loss of legitimate labor, and not to furnish a means of investment or speculation."—President Holcombe, of *Phoenix Mutual Life Ins. Co.*

Companies which refused to pay hush money to insurance department raiders, turn out to be in the best condition, when examined in due time by several insurance departments of the legitimate sort. About twelve years ago a life insurance company refused to be held up by a state insurance department, and withdrew. That company paid no hush money, defied the commissioner, and is to-day stronger and more prosperous than ever, and back again in that same state.

Benefits Conferred by Fire Underwriters' Associations.**MERCANTILE SCHEDULE.**

Some years ago a carefully-selected committee of underwriters, presided over by the president of one of our leading companies (F. C. Moore) and upon whom the labor chiefly devolved, undertook to formulate a rating schedule applicable to the rating of all classes of hazards, under which it was proposed to first classify each city or town according to the general construction of its building and the provision which had been made for its protection in the way of a water supply and fire department. A standard was then established for a building, however constructed, according to the classification of the town and a uniform key or basis rate fixed for each building. For this basis rate a Dr. and Cr. account was opened, and for each structural or other defect found a charge debited, and for each exceptionally favorable feature which the building presented a specific allowance was credited, the net figure thus arrived at being the rate for such risk. This schedule has generally been conceded to be one of the most scientific productions of this underwriting age. . . . Upon this schedule, in a more or less modified form, our present rates have been made, and the adoption of this system has unquestionably had the effect of reducing to a very large extent the fire losses of this country and a corresponding reduction in the premiums charged for insurance. I claim, therefore, that the combined action of the insurance companies in enforcing a system of rating based upon scientific lines has operated and will continue to operate to the great advantage of property-owners in this country.—*E. F. Beddall.*

LAWS PROMOTING ARSON.

The great curses—if I may so call them—to the insurance business are "valued policy" and "anti-compact" laws. They offer great inducements for and are the cause of many fires. I know of a case in point, in this city, where a building on one of the principal streets is insured for double its value. Under the "Wisconsin valued policy law," if the building was totally destroyed, the assured could claim and collect the full insurance. I do not say that this building, insured for double its value, will burn, but in the hands of very many persons what a temptation there would be to have it burn, and with it, perhaps, thousands of dollars worth of adjoining property belonging to innocent parties. If

the state had no anti-compact or valued policy laws, over-insurance could be easily remedied. The compact manager would then be at liberty, and it would be his duty to inform all companies of the over-insurance. They would have the remedy in their hands and govern themselves accordingly; thus doing away with the inducement for burning the premises and subjecting other property to loss or destruction.—*T. M. Brown.*

"Superior to All Others," but It Failed.

Its folder lies before us, glorious with a picture of Old Glory and a flare of red ink, with "patriotism fraternity protection" as a starter. This "fraternal beneficiary order with ritualistic work and ceremonies based upon sound business principles incorporated under the laws of the state of California economically administered by men of the highest standing and integrity," and "superior to any known fraternal society" because its rates were "based upon a scientifically adjusted table," is, alas, no more. The American Fraternal League of Los Angeles "busted" in despite of its superiority and the lofty elevation of its managers. It had some fair-seeming names behind it, like Sheriff John Burr. Merchant S. W. Luitweiler, Mayor M. P. Snyder and ex-statesmen galore, but they couldn't save it because it was rotten at the heart. We only mention their names as a warning to people who put their trust in the names of officers and references of similar job-hunters' schemes of insurance. Any fraudulent venture of the kind—especially in Los Angeles—has no difficulty in persuading men of good reputation to lend the aid of their names. In proof of which we cite the names of the bankers and merchants who endorsed the late Bankers Alliance.

ECHOES.

The mission and the business of insurance companies is merely to collect from the many a tax sufficient to compass three purposes: 1st, to indemnify those who suffer loss; 2d, to pay the expenses incurred in the collection of the tax and its distribution; 3d, to return to the capitalist, whose money has been hazarded to immediately supply any deficiency between the sum collected and the sum disbursed, a fair return upon his investment. The only manner in which the amount of this tax can be ascertained with any degree of accuracy is by accumulating and uniting the experience of insurance companies, and the interests of the people would be vastly better

served by the enactment of a statute to compel thorough co-operation among the companies—breaches of faith to be made misdemeanors or felonies—than by adding to, or maintaining those anti-compact laws, which disfigure the statute books of so many of the enlightened states of the Union.—Janvier.

GOLD BRICKS.

Imitators, deceits, fraud,—all gold bricks—are represented by our own agents. In Missouri, when an agent is asked for cheaper insurance he hands the assured a policy in a town mutual, a host of which, none of them subject to supervision, have been organized within the past few years. Sometimes the agent quiets his conscience by volunteering the information that he knows nothing about the ability of the company to pay losses, and will not promise that the assessments will not equal the amount of the note given in part payment of the premium. When a fire comes his mental worry more than offsets his two dollars and forty cents commission, but he continues to represent the town mutual whether they pay the loss or not. This is probably the reason why the public will not understand the meaning of indemnity. Field men and managers should give their hearty support and co-operation to any movement that will tend to separate them from their enemies. There is no business on earth that would permit such contamination in its agencies as fire insurance does. It is the lack of loyalty to truth and to each other that gives such an impetus to the gold brick industry.—Townley.

THE SPECIAL'S VISIT.

Every visit of a special agent to an agency leaves an impression on the local agent, favorable or prejudicial to the interests not only of the field man's own company, nor yet only to the several companies represented in that agency, but to all the companies. The profession asks, and has a right to ask: What was the effect of that visit upon the business life of the local agent? Was it conducive to a confirmation of the local agent's laudable code of honor, or was there aught suggested or done which would at once, or possibly like a slow insidious poison, find its way into the agent's moral arteries?—Rassweiler.

THE FIELD MEN OFTEN SUCCEED.

The outsider sees the manager most frequently in the field in the west. Here there is usually more friction in administration, or, if not more friction, the machinery

makes more noise. Whether the noise is inherent or due to lack of proper lubricants the outsider cannot always determine. He knows that the spectacle of managers running around the country patching up differences between agents is not infrequent. He knows that to all appearance last year rates were reduced in an important section of the west without apparently any conference with the state association, which is supposed to have the territory in charge. The men who had the task of explaining the action to the outsiders and the reason for the selection of that particular territory were apparently ignored. A few years ago there was friction at Pekin, Ill. The wise managers tried to adjust matters and only succeeded in making the muddle worse. The field men then tried and succeeded in effecting an adjustment. There are men on the floor of this association who have worked under both systems. They have been where they were given no latitude at all. Everything had to be referred, and they have worked where the power of decision upon the questions arising in the field was given, accompanied by responsibility for results. The speaker was in an office some time ago, which had made a change in the system of field administration. A man who lived in the field affected was there, too, and he said that the change had added an inch to the stature of the field men. Formerly they were without influence because without administrative power touching field questions. To-day they have power and are respected accordingly.—Oviatt.

THE CONNIVING FIELD MAN.

The local agent sees in the field man to a large extent the impersonation of the company itself. Is it necessary to point out what is implied in this truth? On the other hand, the local agent has a right to expect the special agent to represent him fairly at the managerial end. Thus it follows that many a local agent of trespassing disposition will look upon a conniving field man as his high priest at the office of the manager. Many dangerous acts of connivance thus arise. Take one example of a growing evil: A local agent secures a risk at a rate below tariff. The special on the ground goes through the form of investigation, but every leaning of his feelings is in the direction of tying the bag over plunder. He is ready to estimate at premium value any excuse the agent may put up. Agent pleads a cut rate offer of a particularly offensive rival agency, but that won't excuse

the offense before the manager, nor before the bar of the business. Happily for the cause in hand, it is discovered that among the companies of the rival agency is Blank company, of Blank town, Blank state, which is assumed to be behind the original cut rate offer, and against which, by some unwritten law, radical defensive measures are supposed to be justifiable. This will go, thinks the special agent, and carries the case to the upper tribunal. If it don't "go," it is because principle triumphs in the verdict of the manager. Such a situation reminds one of the plight of two lads of the street. "They were very young and also very dirty. (These two points are to have no application in this illustration.) One had been absent from school, and the other was writing his excuse for him. 'Say, Jimmie,' said one, 'if yer wants to tell yer teacher why yer was absent, yer must tell me what sickness yer had.' 'Well, Mikkie,' said the other, dubiously, scratching his head, 'kin yer spell dipterry? If yer kin, dat's what I had. If yer can't, I guess measles 'll have ter do.'"—Rassweiler.

STATE SUPERVISION IS NO PROTECTION.

When from the experience as commissioner of insurance I am compelled to admit, that supervision of insurance, as now provided for, is unsatisfactory, and does not give to the insurance public the benefit and protection they should receive from so expensive an adjunct of state government, and, when in addition the multiplicity of "thou shalt" and "thou shalt not" in forty-five different states are to be considered, the difficulty of my subject becomes apparent. The implicit, child-like faith in an insurance department is as touching, as the condemnation of its shortcomings is unreasonable. So long as the office of commissioner of insurance is a thing of political barter and political favor, just so long will the honest insurance company suffer, and the people be deprived of the full benefit which honest protection represented by the honest contract of insurance should afford.—Ins. Com. Fricke.

NO BARGAIN-COUNTER.

The very fact that there are genuine gold bricks—with an accent on both words—makes the spurious article easy of sale. One of the best tests of the real thing is, it is never offered at competing rates, not found on the bargain counter, and as neither fire, water nor smoke can faze it, I believe it stands as a suitable emblem of what an honorable fire insurance company should be—it is truth, sta-

bility, integrity—it commands confidence and insures a lasting success. The aim of every man is success in business, but the method pursued in achieving that success must be the gauge in passing final judgment. If his methods are bad, his success, no matter how great it may seem, will be a hollow mockery. There is nothing in the business life that can equal truth and honesty.—Townley.

FATHERED BY THE COMPANIES.

The incentive to state supervision was given by the companies, who desired protection from dishonest competition, but the multitude of laws, many enacted to correct supposed grievances and curry political favor, make the performance of the commissioner's duties difficult, are the source of much annoyance to the honest company, and increase the cost of insurance to the policyholder.—Fricke.

COMBINED EXPERIENCE RATES.

If all reliable fire insurance companies could or would agree to associate together, binding themselves, if need be, under heavy bonds to adhere to such certain rules and rates as they may agree upon, the rates to be based upon a schedule made up from the combined experience of companies that have carefully classified their business for a term of years, say at least twenty, would in my opinion, after a reasonable trial, experience such an improvement in their business and find such good results that you could not drive one of them out of the association. Such association would not and virtually could not be "a trust," for it is a safe proposition to assume that for the sake of self-preservation the rate-making would be placed in the hands of competent and experienced fire insurance men, with instructions to make the rates in accordance with the hazard of the risk, as so classified, and not higher than was necessary to give a fair margin for profit on the capital invested in the business for the policyholders' protection.—Brown.

DISCRETIONARY POWER IS ARROGANT.

What is known as the discretionary power of the insurance commissioner is, in ninety-nine cases out of a hundred, but an arrogant and unwarrantable assumption of power. Were there concerted action on the part of all the companies in demanding that the commissioner comply strictly with the letter of the law, the discretionary power of the commissioner would soon become one of the evils of the past. Only in the laws of two states can I find the delegation of discretionary power to the commissioner in the admission of a com-

pany, or revocation or refusal to renew license. Fricke.

What He Wants.

The sensible property-owner wants indemnity, not cheapness. There can be no indemnity where rates are too low.

Always Solvent.

No matter what the state of his finances, no matter if formally adjudged a bankrupt, the man who carries a life policy in a solvent company is always himself solvent, as far as his family or beneficiary is concerned. No creditor has any claim on that asset. The United States supreme court has said so.

The National Life Insurance Company.

It would be difficult to present better reasons for insuring in this conservative, reliable Vermont company than those printed in its advertisement, to-wit: It is first class insurance because it is incontestable and is not prejudiced by any occupation after two years; because it places no restrictions on residence or travel, and can be used as collateral for loans, up to the limit secured by the guaranteed cash value; and because it guarantees in black and white very liberal options of extended insurance, cash and paid-up values.

At the date of its last annual report the National Life Insurance Company of Vermont had \$14,826,992 gross assets, of which the surplus on a 4 per cent. interest basis was \$1,820,165. Its percentage of surplus is larger than the average. The insurance in force was nearly seventy-seven millions. The close of the year will doubtless show large gains, for the company has been growing rapidly in recent years, as the following comparisons show:

Dec. 31.	Assets.	Policies.	Amount.
1893 . . .	\$ 9,886,852 . . .	28,344 . . .	\$61,632 613
1894 . . .	11,045,616 . . .	30,186 . . .	64,975,950
1895 . . .	12,144,865 . . .	32,742 . . .	69,723,642
1896 . . .	13,540,024 . . .	34,352 . . .	72,474,731
1897 . . .	14,826,992 . . .	36,621 . . .	76,603,080

The condition of the company is "fit" indeed—fit to get new business, and fit to

hold old business. The wisdom of the liberality of the National Life policies, in the matter of cash loans and cash surrender values, has been confirmed by the trial of hard times. No undue advantage was taken of this liberality. The company accommodated its policyholders on whom the hard times pressed heavily, and the percentage of "marked off" business barely increased in '94 and '95, when the whole country was in the financial dumps. The record of the National Life in those trying times was a credit to the company, and testified to the high esteem in which its policies are held by its members.

The National Life established a Pacific Coast department several years ago, but it was not until G. M. Stolp was appointed manager that its claims were properly presented. Since Manager Stolp took hold, the affairs of the company in this field have been prosperous and its business has been increasing.

SURPLUS helps to obtain good business, but when it becomes a temptation for sharpers to buy a controlling interest, re-insure a strong company and divide the surplus, it is time to consider whether or not it might be better to pay larger annual dividends or pass a law prohibiting the dissolution of a solvent company and the distribution of its assets as long as any risk remains unexpired, up to five years. The community creating this surplus has an interest in the preservation of solvent and well managed companies.

THE only excuse for retaliatory laws is that the retaliation causes the repeal of the original offensive laws or the prevention of their enactment elsewhere. The last cannot be proved: as to the first, there has never been such a repeal.

MANY men have preferred low rates to sure indemnity. Cut rates in insurance should provoke suspicion. The margin is too small to be lessened with safety. It is easy to promise; it may be impossible to pay.

The Norwich Union Fire Insurance Society.

At the annual meeting of the Norwich Union Fire Insurance Society the directors submitted their report, from which we glean the following:

The net premium income was \$4,435,545, which was a gain of \$75,000. The percentage of losses was 60.79 as against 62.26 in the previous year. Reference was feelingly made to the death of several officials, among them that of Mr. W. H. Andersson, who represented the society at Liverpool for over fifty years. Local directors in the Empire and the society's trustees in the United States were referred to in terms of high appreciation by the directors.

The Norwich Union is now more than one hundred years old. It has nearly \$7,000,000 assets, considerably more than half of which is surplus. The American branch is a very solid affair in itself, for it has two and a half millions assets and more than a million clear surplus.

The Norwich Union's Pacific department, organized by its present manager, Wm. H. Lowden, writes a large amount of choice business and has to its credit gains made last year and a profitable balance on the year's transactions.

Standard Accident Insurance Company.

The Standard Life & Accident Insurance Company of Detroit is firmly grounded in good practices and sound assets, with representative business men of high standing in control. It has some nine hundred thousand funds, of which about a third is surplus. The Standard was organized in 1884, and for a number of years has been represented in the Pacific Northwest, and more recently in California. The Pacific Coast department has its headquarters in San Francisco, under the superintendence of Clarence F. Briggs. Cadman & Haight of 307 California street are district agents. The Standard writes personal accident, employers' indemnity, elevator and all forms of liability and accident insurance. Since organized fourteen years ago it has paid over \$4,000,000 in claims. This is a record

which not only suggests the value of casualty indemnity, but also confirms the good reputation of the indemnity guaranteed by the Standard's policy.

Rate of Commission Paid by 31 Life Insurance Companies in 1897.

The following figures, compiled from *Insurance Age*, relate to new business written in the past year:

Company.	Total New Premiums.	Commissions Thereon.	Per Cent
Ætna	\$ 711,477	\$ 336,329	47.2
American Un. . .	102,105	60,501	59.2
Berkshire . . .	185,845	105,350	56.6
Brooklyn	21,450	8,583	40.0
Conn. Gen. . . .	54,686	23,284	42.5
Conn. Mutual . .	332,892	87,772	26.3
Equitable	4,192,069	2,055,175	49.0
Germania	380,805	228,550	60.0
Home	238,576	124,503	52.1
Manhattan . . .	149,269	89,929	60.2
Mass. Mutual . .	530,255	262,030	39.9
Mich. Mutual . .	146,720	99,668	61.1
Mutual Life . . .	5,109,966	3,546,910	69.4
Mutual Benefit .	1,038,177	451,687	43.5
National, Vt. . .	410,153	232,348	56.6
New England . .	469,765	234,382	49.8
New York	6,685,175	3,239,965	48.4
N. Western Mut.	2,073,679	829,941	40.0
Pacific Mutual . .	230,391	104,921	45.5
Penn	806,608	404,937	50.2
Phoenix Mutual .	308,022	170,404	55.3
Prov. L. & Trust .	476,871	192,675	40.4
Prov. Savings . .	486,667	304,408	62.5
Security Trust . .	193,274	137,595	71.1
State Mutual . . .	341,078	139,200	40.8
Travelers	373,289	154,856	41.5
Union Central . .	799,137	372,462	46.6
United States . .	207,339	86,450	41.2
Union Mutual . .	223,068	127,755	57.2
Vermont	48,798	28,794	59.0
Washington . . .	197,194	101,596	51.5
Totals	\$27,514,740	\$14,342,970	52.1

The varieties or plans written have something to do with the foregoing percentages.

INCENDIARY.—Hotel Olympic, Tacoma: unfinished, largest in Washington, property of land company. Cost several hundred thousand; uninsured; no watchman; property in hands of a receiver; \$1,000 reward offered.

The New York law restricts fire insurance dividends to ten per cent. until the net surplus exceeds the reinsurance reserve.

The New York Life Insurance Company.

SPECIAL ENCOURAGEMENT TO MAKE THE
BUSINESS A LIFE WORK.

The New York Life Insurance Company calls attention to its new system of classifying and compensating agents. This system is known as the "Nylie," a novel word of the company's own coining. Continued work in the services of the New York Life is rewarded by special titles and emoluments. There is an inducement for good men to remain in the service of the company for life. The particulars of this system will be sent to any agent.

The company is making very attractive agency contracts, and its various plans meet the wants of every sort of "prospect." The agent who works for the New York Life is fully equipped with all the means of success, so far as the company and its policy are concerned. His success depends only on his industry and talent.

Union Casualty & Surety Company of St. Louis.

There has been sound material in the management of the Union Casualty & Surety Co. from the start, and the period of immaturity, which is unavoidable in any enterprise, was certainly not of long duration in its affairs. The company is only six years old, but it is already firmly established and managed with the prudence which assures its stability and permanence. Three-sevenths of its assets is surplus as regards policyholders, which proportion speaks well for the security it offers. We note with satisfaction that in the recent period of demoralization the Union Casualty pursued a cautious course well qualified to protect the interests of both its policyholders and stockholders.

The Union Casualty has some desirable territory to offer agents. Good contracts will be made with the right men. Applications should be addressed to the home office or to W. Loaiza & Co., San Francisco, the Pacific Coast agents. The company writes all kinds of liability and casualty contracts.

Oregon Valued Policy Law Is Not Enforced.

The authorities are lax in the enforcement of the incendiary valued policy law of Oregon, evidence of which laxity is found in the following paragraph from the Junction City Times of October 22:

The residence of Mrs. Dick which burned down some weeks ago was insured in the Oregon Relief Association of McMinnville for \$900. The amount of insurance received on the loss was \$700. This company pays on the assessment plan and patrons have to accept the amount received by the assessment of the members.

Premium-payments Never Regretted.

A man may regret insuring his property, because when the policy expires he may say I could have saved that premium; and so of accident insurance, no accident having happened: though meantime he has had a valuable guarantee which costs money. But with life insurance it is different, for the life policy is bound to mature sometime. No man of sound mind and generous motives ever regrets insuring his life; for the amount of the policy is a credit which will some day be "realized," and the possession of that item of assets assures perpetual solvency.

Did any of you ever stop to realize what a great conservator the life insurance companies of the United States are, of the finances of the country? Did it ever occur to you that the life companies alone could have loaned the United States the whole of the \$500,000,000 asked for to carry on the war with Spain—that they could have made this loan on bonds payable at any day, at the pleasure of the government? Is it not a matter of pride that four of these companies alone could render the United States any temporary assistance it might need in carrying on any war or in any other manner in conducting the affairs of the country in case of an emergency? With the assistance of all the life companies the United States treasury could so conduct its affairs that all the other moneyed institutions of the country combined could not affect its credit.—Pattison.

The Schuylkill Fire will reinsure in the Hartford Fire and retire. And yet the mutuals tell us that stock profits are enormous.

The Imperial Insurance Company.

In round numbers, nine millions assets, of which over \$7,200,000 is surplus to policyholders. The Imperial of London is a very strong company, with an extraordinary proportion of its funds clear of liability. It is a very old company, too, having been organized at the beginning of the century. The condition of the Imperial was generally strengthened last year, and a 5 per cent. trading profit was realized.

The American branch of the Imperial has a large amount of first-class investments, of which a million is surplus over liabilities. The Pacific Coast department, which contributes materially to its prosperity, is in charge of Manager Wm. J. Landers. The Imperial's Coast premiums advanced from \$117,177 premiums to \$187,077 last year, and incurred a loss ratio of only 31 per cent. of the premiums. Manager Landers also represents the Lion Fire Ins. Co.

Handsome Offices of the Provident Savings.

Under President Scott's management the business of the Provident Savings Life Assurance Society increased so fast that much additional room was soon absolutely necessary. There was careful looking about in the eligible localities of New York city, and finally suites of offices on the sixth and seventh floors of the New York Life building were selected as offering the best advantages of light and location. Policyholders, agents and whosoever have occasion to visit the Provident Savings offices are as pleased as the officials and clerks themselves. The handsome furnishings of the several departments, the beautiful decorative work, the shining marble halls, impress the visitor favorably and are in keeping with the solidity and prosperity of the society and the beautiful mission of life insurance.

AN OLD-AGE pension bill has passed the New Zealand parliament. Every person of good moral character, 65 or more, who has resided in the colony twenty-five years and whose income does not exceed

\$170 a year, is to be entitled to an annual pension of \$90. This is a fine example of paternal democracy, which offers gratis a reward for un-thrift and unfilial conduct. The law may be defended, however, on the ground that the old folks would otherwise have to be supported by the Colony anyway. We may be allowed to remark, in passing, that it is a strange fact that a democracy, supposed to be based on self-reliance, should be the first to establish so paternal a measure as old-age pensions.

Liability Insurance.

The Wisconsin insurance department is taking note of the liability "scrap." The attention of the warriors bold is called to the fact that the law authorizes the computing of the reinsurance liability according to judgment of what is equitable and safe. That while with fair rates 50 per cent. of the premiums is sufficient, with cut rates the department will insist upon a larger per cent. in the computation of the reserve. Attention is called to the "demise" of four liability or casualty companies whose rates were too low to sustain life. Therefore they "demised." The difficulty of determining the actual losses for the year is well illustrated by the experience of one company in 1893. The known losses at the end of the year showed a loss ratio of less than 7 per cent., and a "reinsurance" reserve of 50 per cent. was set aside. But the result of the business of that year, as closed out in 1897, was a loss ratio of 93 per cent., thus proving that the entire cut-rate premium income of 1893 should have been set aside as a reserve. The other company, still doing business, had an apparent loss ratio of 10 per cent. in 1893 but a real loss ratio of 98 per cent. It is known that at least one existing company, the Travelers, has been unfortunate in its liability department, and regrets having ever engaged in the business. The new liability manual, recognizing the loss experiences as shown by the experience of the compact companies, increases rates on a number of risks, as quarrymen, tunneling, paper-box makers, grain elevators, etc.

The Manhattan Life Insurance Company.

This sound, conservative life insurance company is nearing the end of its first half century; and we can therefore look ahead and say, from its present condition, that it will enter its second half century under the most happy auspices for a prosperous future. Anyone familiar with the prudent and conscientious management of this old New York company will go still further, and without hesitation predict that it will complete its first full century with resources and record and conservative traditions even more auspicious for an honorable, useful and safe career. Good management, legitimate methods and conservative practices count for far more than mere accumulations, in forming a true estimate of the present worth and future possibilities of any established financial institution; and in the making of such an estimate the Manhattan Life Insurance Company fails in no particular. It takes a front rank in all the elements which make for solvency, permanency and the perfect confidence of its policyholders.

The Manhattan Life has \$15,000,000 assets, of which a tenth or \$1,500,000 is surplus. Looking over the last annual statement we note that the amount of surrendered policies fell off nearly a third, the premiums increased, income over disbursements increased, death claims decreased, expenses were reduced, and gains were made in assets and surplus.

The Pacific department of the Manhattan Life, which has been under the management of John Landers for more than a third of a century, is one of the oldest in the country, and has paid a very large total of death and matured endowment claims to Pacific Coast policyholders, all of whom will gladly attest the prompt and honorable manner in which the company has met its obligations.

THE LIABILITY BUSINESS is "going through the mill" in the East with a hard, hard grind. Experience in this branch is necessarily limited, it being comparatively new; and it is only too evi-

dent that even such experience as is fortified with statistics is not deemed sufficient in some quarters. It is hoped that a wider and longer experience will yield better and altogether different results; and rate cutting is merely taking a fling at chances. As long as capital and surplus suffice to meet losses, the policyholder need give himself no concern.

McMinnville Mutual Pays Seven-Ninths.

The Oregon Fire Relief Association, of McMinnville, whose failing health was noted in the *Coast Review* for October, was able to pay seven-ninths of the loss incurred under a policy issued to a Mrs. Dick. By such settlements or part payments the association is able to cut rates and "keep your money at home."

Vanconver Board of Fire Underwriters.

At the annual meeting held October 13 twelve members of the Victoria Board were present. The losses for the year were reported as \$22,800 as against \$10,020 for last year. Favorable comments were made on the improvements in the fire department. The incoming executive committee will deal with electrical inspections and with the explosion of explosives. Messrs. Grahame, Hall, Day, Dickinson and Stohlschmidt were re-elected to serve on the executive committee for another year. Secretary Elliott was also re-elected.

Wildcats in California.

An astonishing number of wildcat fire insurance companies are doing business in California and elsewhere on the Coast, through the mails and Chicago and New York brokers. The way to stop their swindles is not an appeal to worthless state insurance departments, but by an appeal to the national postal department. These wildcats are using the mails to obtain money on false pretenses. The foolish property-owners who pay money to them are not only throwing premiums away, but are laying the foundation for a diminished claim against the regular insurance company. Every policy limits liability to the proportion it bears to the

whole insurance. Wildcat insurance counts as well as genuine insurance in this total.

LIFE AND CASUALTY NOTES.

THE war caused the death of twelve EQUITABLE LIFE policyholders.

THE UNION MUTUAL LIFE'S new business so far this year is \$700,000 more than in same time last year.

IT is said that the WASHINGTON LIFE, which did such a large war business, has not suffered the loss of a single war risk.

PRESIDENT COCHRAN of the National Association will visit all the local life associations within the next twelve months.

THE A. O. U. W. has made a special relief call of one dollar per member as well as a war relief call of half a dollar per member.

SIXTEEN importunate claimants were too much for the Order of American Israelites, and it now finds comparative peace in the bosom of a receiver.

NOT "ASSURANCE."—Laurence Sterne in "Tristram Shandy," written in 1759, refers to an accident of birth, as follows: "It is 90 per cent. insurance," etc.

THE Mercantile Benefit of New York has gone to pieces. The Hartford Life will absorb the remains. Isn't the latter association doing altogether too much of this sort of thing?

PRESIDENT SCOTT of the Provident Savings was agreeably reminded of his fifty-fourth birthday, last month, by the office-staff. The flowers that covered his desk made a pretty picture.

THE new employers' liability law of Great Britain has had the unexpected effect of loss of employment by thousands of elderly men. The possibilities of injurious accidents and prolonged disability are much greater with aged than with young men; and the employers very naturally protect themselves by discharging the older men.

THE Order of Maccabees refused to pay a widow's claim because the insured was on the prohibited list, a fact known to the officials. It was proved at the trial, also, that the order is to-day accepting assessments from many members whom it knows to be on the prohibited list. Judgment for the widow. The Maccabees are young, but there are already signs of decay.

DOES Mr. Merrill know any more now about "what is to become of that surplus?"

THE AETNA LIFE has appointed Frank Bushnell superintendent of agents. He has been with the company for twelve years.

THE American Sick Benefit & Accident of New York is more comfortable now. Dr. Receiver is looking after the dying patient.

THE Railway Employees Accident Association, of Newton, Kan., started because "old line" accident companies' rates were too high, lasted just about a year. There are numerous mourners for so young a venture.

THE poet Whittier said of life insurance: It is of vast beneficence—a step towards the abolition of poverty—a check to hazardous speculation for the benefit of posterity—a grateful relief to homes saddened by worry and anxiety. It is more and better than charity, for it involves no loss of self-respect and independence on the part of those who are benefitted by it.

THE new Preferred Indemnity of Chicago begins business with a purloined name, which cannot be a good recommendation to anybody knowing the facts. The PREFERRED ACCIDENT has built a good name, and that is the very reason the Illinois association has adopted it. The managers will have to be on their good behavior a long time before they can fairly ask for relief from a just suspicion.

THE commissioner of internal revenue has ruled that if renewal receipts with life insurance policies operate as a new insurance, they should be stamped the same as an insurance policy. But if the "renewal" receipts are simply for the yearly or monthly premiums they require no stamp; also that an order for the payment of money given by the secretary of a lodge or other society on its treasurer in favor of another party, must be stamped at the rate of two cents each.

LIABILITY FIGURES.—We find the following compilation in the *Surveyor*, showing the growth of liability insurance in this country:

	1897.	1896.	1895.
Fidelity & Cas.	\$1,508,306.47	\$1,013,559.53	\$1,106,506.85
U. S. Casualty	405,753.22	250,598.76	76,957.10
Employers Liab.	1,048,635.41	973,226.57	831,028.22
London G. & A.	662,593.62	545,224.11	444,476.46
Standard	398,116.17	414,613.83	418,878.85
Travelers	733,472.52	575,846.79	534,918.50
Union Casualty	523,281.44	525,310.33	405,363.84
Guarantors	381,518.25	621,568.03	1,012,880.29
	\$5,661,677.10	\$4,919,889.95	\$4,831,010.11

Assistant Manager Grim.

Alfred R. Grim, the well known field man, has been appointed assistant manager of the Pacific department of the Aachen & Munich Fire Insurance Company, under Manager Bertheau. The appointment was made last month from the home office. There are congratulations all round. Mr. Grim is an experienced and efficient man, exceedingly well fitted for the position.

Assistant Manager Grim is a native of Virginia City, Nev., and is thirty-four years of age. He began his insurance work in the office of the Liverpool and London and Globe, in San Francisco, in 1883, and remained in the service of that company for six years. In 1889 he entered the service of the Anglo-Nevada. Two years later, in 1891, Mr. Grim accepted the position of special agent with the Union of San Francisco, and remained with the Alliance of London when that company took over the business of the Union. In 1894 he was appointed assistant manager of the Alliance Pacific department, but resigned in 1896, a few months before the change of management. An offer of a special agency for the Aachen & Munich was accepted in November, 1896. That Mr. Grim's services in this capacity, and in the office, were duly appreciated by the company, is evident from the promotion to the assistant managership of the Coast department.

Spokane Fire Insurance Agents and Companies Represented.

H. Bolster & Co.—Sun, Orient.

F. S. Barrett—Royal Exchange.

W. M. Byers—Connecticut Fire, Queen, Milwaukee Mechanics, Western, Norwich Union.

Cunningham & Mariner—Royal, American Central, Scottish Union & National.

M. B. Connelly & Co.—Alliance, Union Assurance, North German Fire.

J. L. Drumbheller & Co.—Aachen & Munich.

Elmendorf & Elmendorf—British America, Hanover Fire, Lion Fire, Westchester, Imperial Fire, Williamsburgh City, St. Paul.

J. E. Foster—Palatine, Phoenix Assurance, National Fire, New York Underwriter's Agency, St. Paul, Helvetia Swiss.

Holland & Son—Fire Association.

Inland Empire Co.—Etna, Hartford Fire, Springfield, Commercial Union.

A. D. Jones & Co.—Thuringia, German-American.

Jay Lawyer—Caledonian, American of New-ark.

Murphey & Co.—Atlas Assurance.

G. H. Munson & Co.—Fireman's Fund, London & Lancashire, North British & Mercantile, Insurance Company of North America.

Jas. H. Mendenhall & Co.—United States, English-American Underwriters.

McCrea & Merryweather—Lancashire, Imperial, Continental, London Assurance, Prussian National.

Mann & Hinkle—Pennsylvania Fire, Baloise Fire, Agricultural.

Oppenheimer & Co.—Home, Phoenix of Hartford, American Fire of Philadelphia, Liverpool & London & Globe.

Prescott Bros.—Manchester Fire, Home Mutual.

Prickett & McBroom—Hamburg-Bremen Fire.

Rosenhapt & Weaver—American Central, German Alliance, Magdeburg Fire, Niagara, Svea Fire, Transatlantic Fire, Hamburg Underwriters, Philadelphia Underwriters.

Rogers & Rogers—Franklin Fire, Northern Assurance, Greenwich.

H. D. Skinner & Co.—North German Fire, Merchants of Newark, Providence Washington.

BEYOND THE ROCKIES.**FIRE.**

The Minneapolis F. & M., \$200,000 capital, just organized.

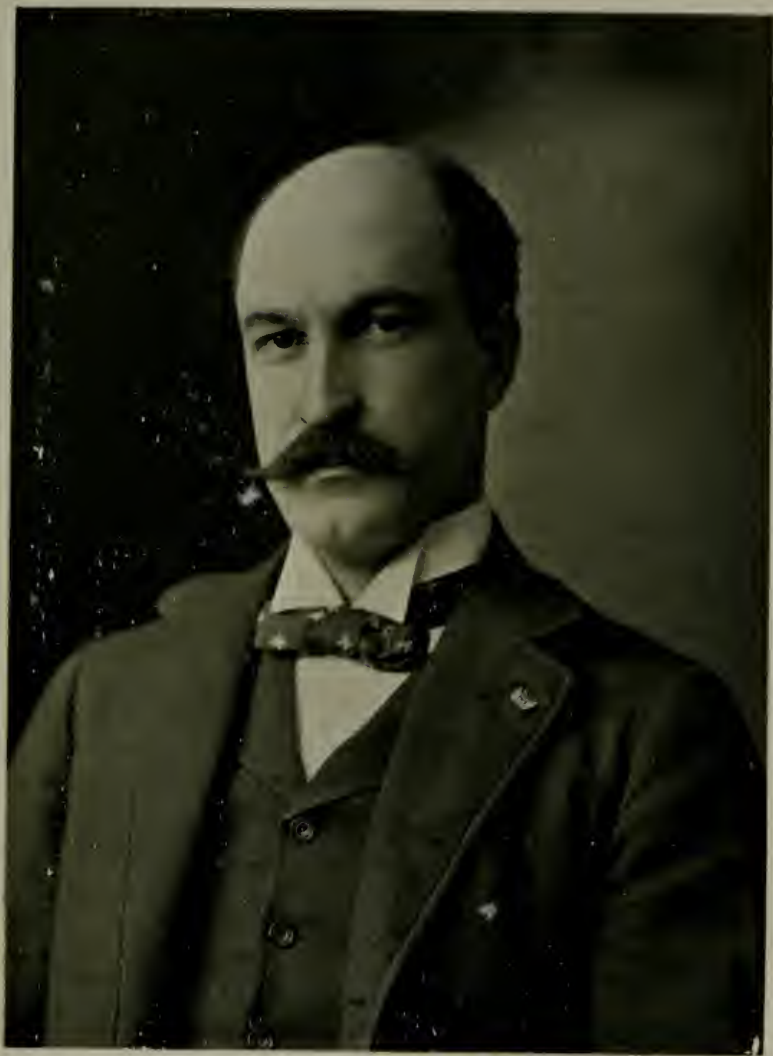
The North German has been admitted to Massachusetts.

Frank A. Thomas, Topeka, appointed state agent Phenix of Brooklyn.

J. J. Courtney will hereafter be sole United States manager for the Imperial.

D. T. Devin, a Chicago underwriter, is dead, from the effects of a gunshot wound while hunting.

Supt. Matthews of the Ohio department rules that the companies and their agents are not violating the anti-trust laws by maintaining combinations prescribing minimum rates. The superintendent holds that as insurance is not trade or commerce, any combination of agents is not "in restraint of trade."



ALFRED R. GRIM,
Assistant Manager Pacific Department
AACHEN & MUNICH FIRE INSURANCE COMPANY.

The New Orleans fire department has received a new coat of whitewash, applied by its friends.

Vice-President John H. Washburn of the Home mourns the loss of his wife, who died of pneumonia at Omaha.

Emil Giljohann is the new insurance commissioner of Wisconsin. Wonderful to relate, the new appointee knows something about the duties of the office.

A solicitor can not be a broker and a broker can not be a solicitor. Thus the ruling powers of the Boston board. In other words, the solicitor is a man who works for one office only.

"Put up your props," said the S. E. T. A. to the Atlanta Home. The fighting was furious, and the A. H. is now very much disfigured but in the ring. It has joined the tariff association.

A New Jersey fire agent contracted lock-jaw, as the result of a fall through a sky-light. His life was saved by the new tetanus antitoxin injection directly into the brain. The bacillus of lock-jaw lives only in the nervous system, and the injection of blood, which contains oxygen, kills it.

Commissioner Campbell of Michigan, just before the election, made a gallery play against the underwriters' inspection bureau. Without inspection, fires will be more numerous, and rates must be higher, which undoubted fact shows us where this back-up Campbell is really at. The licenses of several companies were cancelled—just before the election.

The Iowa discriminating tax test case is now before the supreme court. The attorneys for the Scottish Union & National made a very strong argument against the constitutionality of the law. Attention is called to the fact that every dollar's worth of property owned by an American in his individual or corporate capacity, within the territory of Great Britain, is subject to the same laws, taxes and protection as is the property of its own citizens.

MARINE.

The National Board of Marine Underwriters offers \$1,000 reward for the detection of incendiary fires in cotton.

CASUALTY, ETC.

Twenty-seven accidental deaths in ten days is the Indianapolis record.

The surety companies are now cutting rates in New York.

The plate-glass war in Chicago is at an end—for awhile. A compact has been organized. R. W. Hosmer was the author of the movement thus happily bearing fruit.

LIFE.

Geo. W. Phillips, actuary of the *EQUITABLE LIFE*, died recently, aged 71.

A half million partnership was written on a firm in Newark last month, by V. R. Schenck.

The *HOME LIFE* is not being examined by the New York department, as erroneously stated by exchanges.

The Chicago agency of the *NEW YORK LIFE* wrote last month a ten-year endowment annual dividend policy on which the premium was \$100,000.

President Palmer of the *NORTHWESTERN MUTUAL* recently suffered the loss of his son Frank, who by mistake swallowed a dose of tincture of opium.

A Kansas merchant is charged with poisoning a half dozen members of his family for the insurance money. He probably has been misled as to the extent of the insurance commissioner's influence with the authorities.

Travelers Resists Another "Double Travel" Claim.

The following is a statement of a case in the appellate division of the New York supreme court, says *American Exchange & Review*:

A passenger named Van Bokkelen was killed by being thrown from the platform of a car while endeavoring to pass through a railroad train. He was insured for \$10,000 in the Travelers Insurance Company, which promptly paid that amount, but his representatives claim \$10,000 more under the following clause in the policy: "if such injuries are sustained while riding as a passenger in any passenger conveyance using steam, cable or electricity as a motive power, the amount to be paid shall be double the sum specified in the clause under which the claim is made." The company contends that this clause applies only to a passenger within a car, and not to one temporarily outside and in a position of much greater danger, while the plaintiff, the administratrix of Mr. Van Bokkelen, insists that it applies to an insured person anywhere on the train.

Suggestion of a Leak: A Missouri mutual has a Faucett for treasurer.

Death of W. J. Brodrick of Los Angeles.



The Late W. J. Brodrick.

Fire insurance men were surprised and grieved to hear of the death of Wm. J. Brodrick after a brief illness, of congestion of the brain. The deceased was a prominent local agent and was one of the pioneers of Los Angeles. For many years he had been a very active business man, and at the time of his death was auditor of the Los Angeles Water Co., of which corporation he had been vice-president. For twenty years he was president of the Main St. & Agricultural Park Street Ry. Co.

Mr. Brodrick was born in England in 1847. After a brief residence in New York, Chili and Peru, he came to San Francisco in 1870. In the following year he became a resident of Los Angeles, then a small city, and engaged in the insurance business. The *Coast Review* issued its first number at this time, and Mr. Brodrick was among its first subscribers. He renewed his subscription annually ever since. Since 1896 he was engaged in the insurance business with J. T. Griffith, under the firm name of Brodrick & Griffith.

Mr. Brodrick's public services include the promotion of the interests of the public library, and two terms as fire commissioner, in which office his experience as an underwriter contributed to the improvement of the fire protection of the city.

At the funeral the local fire underwriters and members of the board of trade and the

chamber of commerce were present as organizations, together with a large concourse of friends and business associates. Four large floral offerings were ordered by telegraph by the Fire Underwriters' Association of the Pacific. The latter organization adopted appropriate resolutions eulogizing the character and services of the deceased.

How Discontinuances Affect Death Loss.

If you ask the actuary of any sound and popular life company whether the good lives have dropped their insurances in greater proportion than the impaired lives, his answer will quite probably be "No." You may thus obtain unimpeachable evidence that various companies have not suffered appreciably by the lapse of good risks in undue proportion. A life company which retains its popularity does not, in fact, usually suffer on the score of vitality by reason of discontinuances. It may have many lapses in the first year of insurance, but the medical examination is in such cases so recent that the risks remaining during the second year are on the whole unusually good, and the like holds true until the fourth or fifth year. After the third year, the lapses in a popular life company are not so numerous, and those which do occur may be traced to one of three causes. The first cause is a change of circumstances, by which the policyholder finds himself unable to meet his premium payments. It is believed that lapses of this class occur in greater proportion among those risks which have become deteriorated in health or in habits, so that the net effect of such lapses is probably favorable. The second cause is that the beneficiary may die or be otherwise provided for, so that the insurance is no longer needed. Lapses from this cause may be presumed to occur in fairly uniform ratio among risks of all grades, and therefore to have little or no effect upon the quality of the risks remaining. The third cause is a change of feeling on the part of the individual policyholder, notwithstanding that he still needs insurance and is able to pay for it. Although the company retains its general popularity, this individual is no longer satisfied. Whether the fault is his own, or that of the agent who induced him to insure, or that of the agent of some other company who dislikes to see him go on wasting his money, this individual is dissatisfied and drops his policy. Since lapses of this class occur chiefly during the first two or three years of insurance, this cause of lapsing in popular compan-

ies is a minor one after three years. So far as it extends, however, the effect of it must be injurious, because good risks become effectively dissatisfied much more easily than impaired risks. Taking all three causes of lapsing together, the effect of what we may call customery or normal discontinuances is not very noticeable one way or the other. After the fourth year of insurance, the death losses of a good company may be expected to range between 85 and 90 per cent. of the expected loss according to the American Table of Mortality. How is it now with the assessment society or the natural premium society? Instead of the small lapse rate after five years which is found in the life company, which becomes still smaller as years go on until it is scarcely perceptible, the assessment society which has been running along comfortably for a number of years finds itself all of a sudden subjected to a great proportion of discontinuances, nearly all of which are due to the third cause which I have mentioned, dissatisfaction. I ought to add that the assessment society is all along subject to depletion in consequence of the adverse representations of agents of life companies or of rival societies. These representations are most effective with the best class of risks, who are able to secure insurance elsewhere and to pay for it. Whether worked upon by rival agents or actuated merely by discontent with the increase of their payments, most of those who drop out of assessment societies do so while still in good health, thereby increasing the proportion of impaired risks to the total of risks remaining in force, and the effect upon the average vitality of the risks remaining is damaging and before long disastrous. The damage wrought by this kind of general dissatisfaction is not only great, but cumulative. There is first a decrease in the number of risks in force, and then there is a greater proportion of mortality among those risks which do remain in force, that is to say, there is an excessive death loss. This increases still further the cost of insurance to the survivors, and this again increases the dissatisfaction, and so on, each form of evil increasing the other, so that assessment societies which once become the objects of general dissatisfaction, are regarded by all experts as doomed to a speedy end.—McClintock.

Being "fire-proof and non-combustible," it was not deemed necessary to place any insurance on the late lamented half-million hostelry Olympic of Tacoma.

Silver Wedding Anniversary of Mr. and Mrs. Pope.

The twenty-fifth anniversary of the wedding of Mr. and Mrs. T. Edward Pope gave the Pacific department staff of the Pennsylvania Fire Insurance Company a welcome occasion for a testimonial of their personal esteem for their worthy chief. After due consultation among themselves, the employees of the department chose a very beautiful tankard of cut glass, large portions of which were covered with exquisitely designed open work of silver. The surprise of the delighted recipients was so complete that additional zest was given to their pleasure in the beautiful gift thus seasonably presented with the hearty good will of the employees of Manager Pope's office.

French Insurance Laws.

Transfer of stock does not relieve the seller from liability for subsequent assessments if the stockholder of record at the time of assessment fails to make payment. When an assessment is made, a call is made upon the stockholders of record, and, if they fail to respond, the previous holders of stock in their order are called upon. Each is liable in turn, back to the original subscriber. Insurance is generally effected for ten years, premium payable in annual installments. Liability is suspended while premium is in default, though the premium liability is a lien on the insured property. The whole commission to agent is paid in advance, and subsequent premium payments pay no commission. Everybody in France is responsible for damage caused by his act, negligence or imprudence. The tenant is responsible for loss caused by fire, unless he proves that the fire originated by accident or superior force, or by faulty construction, or by communication from adjoining building. Tenants are jointly responsible if they cannot prove that the fire began in the apartment of any one of them. Such tenants as can prove that the fire did not or could not originate in their part of the house, escape this liability. Companies insure against the loss of property and against this liability to the landlord and to fellow-tenants. The rate for this contingent liability is about 40 per cent. of the rate for direct loss.

Nashville, Tenn., Oct. 13, '98.

Coast Review: Continue my subscription to your valuable paper. . . . I will take pleasure in putting your splendid paper in the hands of men who should have it. With best wishes, —

Cogent Reasons Why.

Why should an agent preferably represent the **EQUITABLE LIFE ASSURANCE SOCIETY**, from the point of view of the company, is briefly and admirably stated in a page of this month's *Coast Review*. Manager Shields of the Pacific department of the Equitable is ready with proofs and will welcome new recruits for the Coast division of the society's great army of agents.

Changes in Executive Staff of the Equitable Life.

The board of directors of the Equitable Life Assurance Society made several important changes in the executive staff, at a meeting held on November 2. The vacancy caused by the death of Actuary Phillips was filled by the election of Joel G. Van Cise, for many years the first assistant actuary. Robert G. Hann, second assistant, has been advanced to the position of assistant actuary. These experienced officials will at once engage in a review of the mortality experience of the company. They will produce some results, in the line of mortality statistics, which can not fail to be of great interest and of considerable service. This work with other branches of actuarial work will lead to further adaptation of methods to popular needs. The society will thus strengthen itself anew with both agents and policyholders, by such prompt adaptation to their interests on the safe basis of revised actuarial figures. The medical department is also undergoing re-organization.

James H. Hyde has been elected second vice-president, succeeding Louis Fitzgerald who resigned to give all his time to the duties of president of the Mercantile Trust Co. Vice-President Hyde is the son of President Hyde, the founder of the society; and his elevation to the vice-presidency may be accepted as a further guarantee of the operations of the Equitable on the same high plane established by the founder and sustained by his inspiration and example. "Blood will tell."

The grand agency corps of the society, which has its members in every quarter

of the globe, will remain under the aggressive and successful leadership of Vice-Presidents Tarbell and Wilson.

Assurance Perhaps the Better Word.

Applied to the life contract the word "assurance" may be preferable to the older "insurance." Webster's third definition of assurance is—

Firmness of mind; undoubting steadiness; intrepidity; courage; confidence; self-reliance.

Such is the effect of indemnity for one's dependents, on the character of its possessor. It gives him assurance: gives him confidence and makes him more self-reliant. Without assurance a man is a pitiful object and without life assurance his dependents may some day be pitiful objects.

The use of "assurance" in reference to the death contingency contract, as recently in England, may be wholly arbitrary, but at least it has this justification—the life policy gives its holder assurance.

Handsome Offices of the Equitable Life.*Editor Coast Review:*

The pride of the life agent, next to the company he represents, is the thoughtful comfort provided for him at headquarters. Yet this subject is often discussed—whether such comfortable quarters for the agent or solicitor are an incentive or a detriment to success.

The life insurance agent is a hard worker. He is the builder of the great edifice of assets. He quarries the stone, molds the brick, mixes the mortar, carries the hod, and wields the trowel. Without the agent there would be no temple of life insurance. Then why should he not be treated well at headquarters, and his laborious work be thereby in some degree lightened?

The Equitable Life's Pacific department provides its agents with handsome quarters, open grate fires, electric-lights, and a commodious roller-top desk for each. The lady agents have a large and beautiful apartment for their exclusive use. There have lately been added two "closing" rooms also. Altogether, the agents of the Equitable are handsomely provided for, and can congratulate themselves on the society's thoughtful regard for their comfort.

STUYVESANT.

The Seamy Side of Life Assurance.

(From the Review, London.)

The predecessor of Lopez of the sixteenth century, John Audley, brought to its highest point the investing of his mercantile gains in selling annuities. Francis goes on to state that "the usurer made his money breed by granting them in many forms and on various securities, and although to arrive at a just system of annuities was as difficult as a just system of assurances, yet the usurer took as much care in the one instance to secure his own interest, as he would in the other had it been an operation into which he chose to enter." No doubt, in those days, the granting of policies of insurance was infinitely more risky than the selling of annuities. In the case of assurances the death of the assured was the great danger to provide against; it was the most unwelcome thing that could happen; whereas in the case of an annuitant, his "removal" was, of course, the best news that could reach the money-lenders.

Now, to show the difference between honest and dishonest insurance in this matter, we may just note the extraordinary experiences of the Mercers' Company, which, in 1698, commenced granting life annuities. The Mercers' Company happened to be so absolutely honest that they found to their astonishment that they had promised a great deal more than they could perform; that the money they accepted as against annuities, was absolutely insufficient to meet the annuity claims. They received plenty of money, but as they were paying annuities at the rate of 30 per cent., their funds were almost annihilated at an early stage of their history. The company petitioned Parliament in 1747 for assistance, and it was naturally granted.

The experiences of the Amicable, and of the Royal Exchange and London Assurance Corporations, are full of interest. But a premium of £5 per cent. cannot be considered as excessive for a life in 1721: but it must be admitted that when the same premium is charged, as Francis says, whether the life is twelve or forty-five, there seems to be reason for grumbling somewhere. This policy was granted for a single year, and renewed without reference to age or health.

Francis, in quoting the first known fraud in insurance, seems to have foreshadowed the vulgar proceedings of the murderer Horsford, hanged last week, as regards the method of killing his unfortunate victim. By the symptoms of the death of the victim of the first known fraud, as carried out in 1730, she

would appear to have been poisoned by strychnine, or else, as Francis says, she had a most extraordinary power of simulating death. The tall and middle-aged man, of a semi-military aspect, and the young woman, attractive in person, though frigid in manner, were either magnificent conspirators, or else the man was a systematic murderer. These two persons resided in St. Giles's in 1730. But an extraordinary occurrence in Queen's Square later on, bore a remarkable likeness to the St. Giles's fraud. The captain, in this case, was undoubtedly the same man. He seemed to have money, dabbled in the funds, frequently was seen at Lloyds' and in Change Alley, but evinced a particular affection towards those who dealt in life assurances. The Queen's Square lady appears to have died in the same manner as the St. Giles's lady. Many thousands of pounds were received by the heart-broken survivor, who seems to have turned up in Liverpool a few years later, where he was learned in corn and cotton, went to church regularly, subscribed to local charities, and giving good dinners as well, became much respected. The lady of the house was supposed to be his niece. £2,000 assurances were effected, but the unfortunate young lady again seems to have either died or simulated death in a most extraordinary way. With decorous grief the proceedings terminated, and the merchant abstained from undue pressure for the money, but took it all the same. He seemed ill, and departed, and does not seem to have been heard of more. Whether this lady was really murdered or not it is difficult to say at this stage. The doctors appear to have been ignorant of the nature of the disease, and we know that strychnia was not known to medical science in this connection until the Palmer case.

What is the money value of your life to your family? How much well invested money have you? As much as the former amount exceeds the latter, so much are you in duty bound to carry on your life in a good life insurance company. Delay not a moment in the application thereof.

There must be something deadly about a bath-tub, judging from the number of people found dead therein in the course of a year. The annual bath is safer.

The editor of *Insurance* is in hot water at last. He is at Hot Springs, "enjoying his annual."

Frankfort Marine, Accident and Plate Glass Insurance Co.

A large and flourishing company this, a third of a century old, with a large surplus over capital and all liabilities. The whole resources of the Frankfort are pledged on every policy contract. The assets, including the capital guaranteed under the strict German law, are \$2,590,821. The liabilities leave a surplus of \$1,351,691 for the protection of policyholders. In the United States the Frankfort has a half million invested, of which amount half is surplus. The American business has been increasing rapidly. The Pacific branch is prospering under the management of Voss, Conrad & Co. of San Francisco.

Difference Between Stock and Mutual.

When a stock fire company fails it has enough left to pay losses, with scarcely a "modern" exception. As a rule, it finds a reinsurer, pays outstanding losses, and distributes the remainder of its capital among the shareholders. But when a mutual fire company fails it pays no outstanding losses and has no money to buy reinsurance. So everybody concerned loses. And that is the reason we "make much" of mutual failures, and print warning lists thereof. The man who is content with the protection of any job-making mutual reminds us of the naughty story of the little lad who, with other children, was required to repeat some appropriate text when he dropped his nickel in the contribution-box for the clothing and enlightenment of the heathen. He forgot the "cheerful giver" text, and after a moment's hesitation, dropped his coin, reciting "a fool and his money are soon parted."

Are You One of Them?

One who bores his friends to death, but never looks for new material.

One who is surprised to find that the "other fellow" has insured his "promising cases" while he was sitting in his office lamenting the lack of money and wishing that things were different.

One who does not see the use of spend-

ing a few dollars of his liberal commissions towards developing his agency.

One who never requests his policyholders to furnish him with the names of a few friends who should carry insurance in the company he represents, or if already carrying insurance in other companies, trying to increase their line of insurance in his company.

One who is willing to let the general agent spend his money in advancing and developing the company's interests, while he sits around waiting for something to "turn up."

One who does not see the value or importance of bringing his name and calling before the people by the judicious use of a little "printers' ink."

One who is never willing to canvass the next village or town, for fear, if he is unsuccessful on his first trip, it might cost him a few dollars, besides the loss of "valuable time," which might be more profitably spent talking politics with his neighbors.

One who believes that it is impossible to do anything during the Spring, for *everyone* is plowing.

One who believes that it is impossible to do anything in the Summer, for *every one* is away.

One who believes that it is impossible to do anything in the Fall, for *every one* is attending the county fairs.

One who believes it is impossible to do anything in the Winter, for the reason that there is *no* money in circulation.

One who is greatly surprised to find that among the applications gathered in by the special, and promptly examined and dispatched to the general agency office, are the very neighbors and friends who had been "promising" him insurance for many years.

One who is greatly surprised to find that his neighbors had applied for insurance on a plan he had never heard about, and did not know that such a policy had ever been issued. Never thought it necessary to know but one form, because his clients "left everything with him."

T. HOWARD LEWIS in Weekly Statement.

THE PROVIDENT SAVINGS LIFE ASSURANCE SOCIETY.

—
Carl C. Grass, Manager for California and Nevada.

The Provident Savings Life Assurance Society of New York, which was organized in 1875, is now operating most successfully under the management of President E. W. Scott and his able assistants, Vice-President C. E. Tillinghast and Secretary Wm. E. Stevens.

President Scott is a prominent life underwriter. He is one of the leaders in popularity with agents, and aggressive and successful life insurance work. Formerly, as third vice-president, Mr. Scott contributed very substantially to the extraordinary gains made by the Equitable Life. When elected president of the Provident Savings, he at once introduced the same energetic and popular methods into its management, and with excellent judgment selected good business producers for the principal departments.

The results have been exceedingly creditable to the new management. In 1897 the Provident Savings issued more life insurance than any New England company and more than any other New York company, excepting only the three giants. The percentage of gain in new business was larger than that of any other company and the business of 1898 promises to be even better.

Among President Scott's first official acts was a request for a thorough examination of the society's condition by the state insurance department of New York. The state examiners made a critical examination of the securities and other assets, and found them to be exactly as represented by the society's officials. The entire report of resources and liabilities was a confirmation of the annual figures filed by the company with the state authorities. The state insurance department said—

"The Provident Savings Life Assurance Society, commencing business in 1875, having never until now been examined by this department, the management, in requesting that the present investigation be made, has manifested a desire that the conduct of the

company's affairs be thoroughly scrutinized from the date of its incorporation to the present time.

"The present executive is to be commended for the conservative methods employed in the conduct of the corporation's affairs.

"Since December 31 last the company has added over \$200,000 to its reserve fund, and has largely increased its volume of new business as compared with any corresponding period in its history."

The Provident Savings has the extraordinary ratio of 121 per cent. of admitted assets to liabilities. It returned to policyholders in 1897 a larger ratio of total income than the average return by all the other New York and New England companies. These are facts worth thinking on, as indicating the excellence of the society and its contracts.

The society is well known throughout the United States and Canada, with well established agencies and departments, and a large corps of enthusiastic workers. It is a popular company, alike with policyholders, claimants, agents and solicitors. You do not hear of it as a defendant in the courts nor as a compromiser of claims. Go ask claimants, anywhere, and they will tell you of prompt and liberal adjustment of claims.

The Provident Savings issues a variety of contracts, designed to meet the requirements of men and women of every condition or walk in life, and therefore ready sellers for the active agent or solicitor. The forms of policies are—

Whole life. Limited payment life (society's plan and regular forms). Assurance bonds (society's plan). Endowments. Yearly renewable term (society's plan). Twenty-year renewable term. To age 70 (society's policy). Pure assurance (society's policy). Installment assurance on (whole life and term policies). Mortgage indemnity and partnership assurance. The society issues certain policies on the lives of women at the same rate charged for similar policies issued on the lives of men.

The several forms of contracts are very liberal, giving loans, cash values, extensions and paid-up values, duly written. The combined term and renewal option policy is new and original, and is specially

adapted to the needs of business and professional men.

The California agency offices are located in the handsomest building in San Francisco, rooms 709 to 713, the Claus Spreckels building on the southwest corner of Market and Third streets, where Manager Carl C. Gross has his headquarters.

Manager Carl C. Gross.

The new manager of the Coast department of the Provident Savings Life Assurance Society, whose portrait accompanies this number of the *Coast Review*, Mr. Carl C. Gross, is an experienced life insurance man who assumes the duties of a managerial position with a practical knowledge of the work and needs of the solicitor and field man. Mr. Gross is a young man, having been born November 5, 1864. He is a native of Lawrence, Indiana.

After a liberal education, he started for the far West in search of larger opportunities for enterprise and energy. Lincoln, Nebraska, seemed an inviting place, and he tarried there for three years, engaging in the real estate business. The Golden State presented greater attractions, however. Mr. Gross came during the summer of 1890 to San Francisco, and in southern California.

But the 'good' and with its congenial field in life insurance, he has given work, and general Agent. In this work, lay a successful as well, by represented by strict policy in his dealings with policyholders, and by those habits of industry without which there can be no real success in any pursuit in life.

Manager Gross assumes the duties of his new position as the representative of the Provident Savings Life Assurance Society, with the advantages of youth, enthusiasm, experience, a good company with a specially good record in this field,

and a variety of excellent contracts, attractive to both agents and prospects. There is good business to be written in the coming year, in this field, and we doubt not that the society's manager will write the

Insurance Businessably Conducted.

I desire to connect, that, I believe that any permanent business to the patrons of insurance is based on solid and unfounded charges and methods. To insurance companies, their methods. To any one who is the fire insurance business, the methods employed by far the largest number of them, it must appear that business is conducted upon a business and moral plane, and that, striving all the time, with the best experience, the and the best ability to improve their methods, and thereby benefit on the public as well as themselves. Any agency or instrument which is, or may be, valuable to this service encouragement rather than. There can be no question of the so-called local boards of directors, in so far as they have gathered, formulated and preserved their reference to the fire hazard present classes and kinds of buildings, observed a useful purpose.—Insurance, Apt. Matthews, Ohio.

Print elsewhere an extract from a Ohio on hoodlism and boodling. That that insurance companies are not boodlers by the need be no better evidence than the antecedence of valued policy laws, nearly every one of which was first introduced as a check-bill by a boodle-seeker. The insurance companies, were they boodlers, could have defeated every valued policy law.

Cheap Fire Insurance.

At Excelsior Springs, Mo., \$7,500 of \$13,000 insurance was taken in companies which offered low rates and did business through Eastern brokers. Now the insured is unable to collect a cent of the \$7,500.



CARL C. GROSS,
Pacific Coast Manager
PROVIDENT SAVINGS LIFE ASSURANCE SOCIETY
of New York.

About Adjusting.

A PAPER BY A. R. GURREY, READ BEFORE THE
FIRE UNDERWRITERS' CLERKS' ASSOCIATION,
OCTOBER 17, 1898.

I have been requested by your president, Mr. Young, to write a paper on "Something About Adjusting." I appreciate the honor, and thinking over the subject my mind wanders hopelessly at first wondering where to start and later where to stop. To talk of the matter in generalities would I fear be somewhat unsatisfactory, but I will do what I can, asking you to excuse my shortcomings.

I will start in by trying to impress upon your minds the one thing that is *always* necessary, and that is, care—always—care; and remember when you are adjusting that you are arranging for the payment of money that belongs to someone else; it is trust money and therefore needs double care.

Learn how best to get the confidence and trust of the claimant. There is no need to be crusty, even if the other fellow is; in all cases act the gentleman that you are and remember that nine times out of ten he believes he has a sharper to deal with. Show him that you want to fulfill the contract fairly and justly, but above all, explain to him what the contract is, for there are so many wild ideas floating around in respect to it. Ask him if he understands that the policy is a contract of indemnity. That the *property* is not insured at all, but that he is, against loss on the property, and that the company only agrees to indemnify him for the loss thereon. When he understands this it will be a point gained, and when he sees that you are going to keep the contract honestly it will be another point.

Of course honest differences of opinion must at times arise, but there is generally some way of settling them fairly to both parties too without friction. Of course there are men you will meet that will not listen to reason, but thank heaven they are few, and when you do meet them the best way to do, I think, is to insist on a strict compliance with the policy conditions, and be careful about waiver.

These policy conditions, all of you, who are in the business, should know almost by heart. It does not make any difference what may be your duties in connection with insurance; I tell you, learn the policy conditions and learn them well, and find out by inquiry, the why and the wherefore of them, and how they have been interpreted by the courts. This seems a big job, and it is, but there is lots more that the outside man, especially, should know. Electricity is something we should know something about; it is very essential, and there is so much connected with that particular branch that we *should* understand. Do you know that, with incandescent lighting, with every additional light the current has to be increased though the voltage or pressure remains the same, and that in arc lighting it is reversed, the current remains the same though the voltage is increased? Do you know that the three wire system of incandescent lighting carries twice the voltage the two wire system does?

Do you know the danger of the converter in an alternating system and when it should be located? or anything about safety fuses? If you are not posted in these matters get some book on electricity and read it up, read it with care, make notes as you go along, read a limited quantity each and every day, *and always keep the book handy*. Many will tell you such knowledge is not necessary, that when there is a loss you can get an expert who must know more than you because that's his business. That's all right, but take my advice and learn these things yourself; you will never be sorry for it, for knowledge, if it is a thorough knowledge, is power.

A large number of our losses are on buildings, and the adjuster must know enough of carpentering to be able to figure on any ordinary building. Of course, I do not refer to fine residences, with fancy inside finish, fine stairways expensive plumbing, etc. That is a job for the expert in that particular line of business; but the adjuster should know enough even of this better class of work to be able to check the appraiser's figures; but I refer particularly to dwellings costing from \$1,500 to \$2,000; to the stable or barn; to the ordinary frame store building; and it is well to watch and study buildings that are under construction, to see how it's done—not one building only, but all you get the chance to; get an idea of comparative sizes of timbers used; at the same time I should recommend that you join a library where you are sure to find books on framing timbers, on roof work and on building generally, and you will not find it such dry reading as you would imagine; and I would suggest you do as I do, carry a book in your vest pocket and make a note of everything that you think will serve you as you go along—and *always carry the book with you*.

In settling building losses, I find it a very good way to ask the claimant to furnish me with an estimate of the value of the building in accordance with the policy conditions and ask to be allowed to make my figures with his representative so as to check them, explaining that the figures made by his carpenter will be his figures and binding on him, though as a matter of course they would not be binding on me, and then if there is any difference of opinion there is generally some easy way to settle it fairly, and if not you can fall back on arbitration. In regard to arbitration, when it is demanded by either side, the conditions of the policy must be complied with, but two parties can mutually agree to appraise a loss, or to do anything within the law.

When the claimant has chosen his carpenter—and I try to impress upon his (the claimant's) mind the necessity of choosing someone who is capable, thoroughly honest and trustworthy—I then generally go to the ruins and take my measurements. The remains even if there is nothing but ashes will always tell their tale. When it is a clean sweep even, the chances are that you will find enough to show you the sizes of anyhow some of the timbers. You will probably find remains of the mudsills, and the nails sticking in them will show the size of the underpinning and the distance the pieces were apart, and if there were corner braces or not; and

while you are there, if you have the contents to adjust, take a list of what you see of the debris of the furniture, the size, make of the store for instance and its condition; the number and kind of the spring mattresses, etc.; and don't advertise the fact that you are taking this list. You will find probably the data of some use and then when you have done all this retire to some quiet place with the other fellows and commence your figuring. But before you start in, and I want to impress upon you the importance of it, make a diagram to scale of the ground floor, of the second floor if there is one, and of the roof. You can't imagine the value of such a diagram until you have proved it. It is a safeguard against error.

Start in with your mudsills, then take the underpinning, sills, floor joists, studding—in the studding allow an extra one for each corner, and extra ones for each side of each window and door. It is a common and a fair practice, where the studding is 16 inches from centers to allow one for each foot of the circumference of the building. It is not too much. Then come the plates, the partition, studding, sill, plates, ceiling joists, rafters, sheeting. For this deduct $\frac{1}{2}$ c of the roof area, as it is not laid close; but many in figuring a building allow for it as if it were solid. Sheeting is used for so many odds and ends that it is always used up. Some builders you will find in figuring lumber make allowance as they go along for waste, but I would rather figure close and allow about 10% of the lumber bill for waste and incidentals. It is not too much by any means and is a fair allowance. The length of your rafters you can get from your diagram. Most roofs are $\frac{1}{2}$ pitch; that is, the height of the roof above the ceiling joists is $\frac{1}{2}$ of the width of the building. Don't forget the braces and the bridging if there is any. The bridging is the bracing between the floor joists; it is generally 1 x 4 or 2 x 3 stuff, running from the bottom of one joist to the top of the next two, crossing one another like an x between each joist. When you have got all your rough start in with the finishing lumber. The flooring if of 4 stuff, add $\frac{1}{4}$ to the area for the lapping of the tongue and groove; if 6 inch stuff add 1-5. If the house is plastered the studding and ceiling joists will be 16 inches apart from center to center so that the laths will fit. For rustic add 1-5 to surface measurement. Get the sizes of the doors and windows, the number of lights to the sash and get prices at the lumber yard, also for their frames; add for labor and hardware. I can give you no satisfactory schedule of prices, as they vary so, but you had better arm yourself with price lists of all sorts of building material, and be sure you get the discounts, because they are very heavy on some things. 50% for instance is commonly allowed off price lists of doors and windows, and still heavier on glass. The eaves of the building you must not overlook. The piece fastened at the end of the rafter is called the fascia and overlaps the panceer which goes under the projection of the rafter and then meeting the panceer and fastened to the side of the building is the frieze. In the angle formed by the panceer and frieze is generally a moulding called the bed moulding, and attached

to the fascia is the crown moulding. The value of moulding is generally about $\frac{1}{2}$ c. an inch per foot. Then there are the corner boards, which generally run a foot (board measure) to each foot of height for each corner; and the water table which is a nosery run around the house attached to the sill to throw the water away from the foundation. This is generally figured in with the moulding. Sometimes where the walls are papered the plaster has not received its last or white coat. The plaster found in the debris will tell you how the building was finished. It's a point worth watching, for as it will make a difference of 8-10c. a yard in the price of plaster. I would say here, that in cases of damages only where the plaster has to come down and you allow for the new plastering, that you should not be made to pay for new paper too, although the walls were papered before, because paper is so often put on only when the plaster becomes demoralized; and when you replaster you are putting the property in better shape than it was before, and if they should insist upon an allowance for the paper you have a right to insist upon an allowance for the depreciation to the plaster. Remember I speak now only of partial damages. A double roll of paper contains 8 sq. yards and costs about 25c. a roll to put on. Cloth lining costs about 4c. a yard, and will cost as much more to put up. Painting averages 15c for 2 coat work. Four bunches of shingles are supposed to contain 1,000 but really they contain only 800; and 4 bunches or an alleged 1,000 will cover 80 square feet with $4\frac{1}{2}$ inches to the weather. For shakes, divide the length of the rafter by the length of the exposed part of the shake, add an additional row for the bottom that will give you the number of rows of shakes and of sheeting, which latter is generally 1 x 2 or 1 x 3 stuff. Shakes are supposed to be 6 inches wide, but are not. If you allow 5 inches for each and divide the length of each row by 5 inches it will give you the number required for each row. Shingles require 3 lbs. of nails per M. Lumber will average 20 lbs. nails per M. ft. The cost of the labor is always difficult to settle as the ordinary country carpenter always guesses at it and always takes care to guess enough. But on a scale of \$3 per day \$8 to \$10 per M. for rough, and \$10 to \$12 for finishing lumber should be plenty; for barns \$6 to \$8 is a fair allowance. Shingles cost to put on 80c. to \$1 a thousand and possibly a little more where the roof is much cut up. Where the roof is large and all straight work 50 to 60c. per M. would be enough to allow, although I have known jobs to be taken for 45c.

The ordinary brick chimney is worth from 75c. to \$1 a running foot. A good rule to obtain the area of a hipped roof with deck is, around the eaves plus around the deck divided by 2, multiplied by the length of the common rafter; for a hipped roof with comb, around eaves plus twice the comb divided by 2 multiplied by length of common rafter; when hipped roof comes to a point, around eaves divided by 2 multiplied by length of common rafter. These rules are worth noting. The deck is generally covered with tin. Speaking of tin you must not forget the valleys. The valleys are the hollows of the

roof and are tinned generally with 14 inch tin, worth about 10c. a foot put on. The flashings under the plates of tin around the chimney and running under the shingles to keep out the rain, they are worth about 3c. each. There is a strip of tin too over each window and door. But I might go on indefinitely, and I fear as it is I am tiring you.

The question of depreciation is always a hard one to settle, as no rule can be made to apply equitably in all cases. You have made your figures as to what the building was worth new. Now you are in the position of a purchaser of the destroyed building and are going to pay cash for it, and a proper amount should be allowed you for the difference in value between old and new. The amount spent in repairs should be carefully considered and the kind of people that have been occupying the property. The foundation, the shingles rot, the floors and staircases wear, the windows and doors soon show the effect of rough usage, and the plaster cracks. The frame wears but little. The amount of depreciation is as I have said hard to settle. I can give you no help in the matter. You can only use your own common sense and settle the matter before either of you have any idea of what the estimate is going to foot up, for obvious reasons.

A word of advice to you. Don't slurr your work; in your estimate of the building show the sizes of your timbers and how you arrive at results: in fact put it in such shape that any one could take up your figures and check them; possibly they may never be gone over, but they may, and your employer should be in possession of full data. Keep *all* your figures. I use a cheap memorandum book to do all my work in, and when it is full I index it and file it away. Buy a tape line, a 2 ft. rule and a scale for your diagrams and keep them with you.

Mr. Lowden and Mr. Sexton have both written valuable papers on book losses, and these papers should be carefully studied and the subject thoroughly mastered, but whether you do or do not, every once in a while you will come across a case where the books are gone and the claimant persistently refuses to remember anything, when you will wish you were dead. Put the claimant under oath and examine him. Then cross examine. Then again examine him if he shows an unwillingness to tell you all he knows about the business, about himself and his relations. Then demand duplicate invoices for as far back as seems necessary. Thoroughly overhaul the county records for bills of sale, mortgages of all sorts, transfers of property, everything that may or may not bear on the property. Look up his sworn statements made to the assessor for years back; if there has been any attachment go to the sheriff's office for the inventory taken by the deputy; get mercantile reports; if any member of the firm should have died look up the probate court and the public administrator's records and in the mean time drop the claimant a letter once in a while asking him some question that he has already answered in his examination; of course putting the question in some new garb and see if he gives the same answer he did originally. In some cases the debris will tell you a whole lot; it pays

sometimes to put some one to watch it or take an inventory of it, of every piece of metal, barrel hoop, crockery, glassware, etc., having a witness to verify your list.

If in making your financial statement you have to go back any length of time you are bound to find some element of weakness in it. One serious item estimated, or in other words, guessed at, throws the whole thing in doubt, making the statement very unsatisfactory. Before going into the sworn examination it will pay you to have a list of subjects about which you want information before you; otherwise you are very apt to overlook something. And an adjustment of this kind means days of patient plodding and planning, early and late, night and day, and I fear the labor is not often appreciated. The one subject must be kept constantly in mind and everything else excluded. Every thought, every effort must be in the one direction: read nothing, think nothing but of your work; study it from every standpoint and work without ceasing.

In handling stocks of goods it is generally advisable to get things dried, cleaned and put into as good shape as possible before beginning the adjustment. The expenses of so doing are generally added to the loss, and it is well to explain this to the claimant, for then the chances are the work will be better performed. This is especially necessary in a grain warehouse fire where the expenses of putting out the fire, getting out and resacking the wheat is an expensive undertaking, and the result may be that the expenses exceed the insurance salvage, and the assured in such cases has to pay this excess, to his great disgust, under the clause in the policy that it is his duty to protect the property, put it in the best possible order, separating the damaged from the undamaged. If you wait for the assured to act the grain will probably burn up, which would make the adjustment easier, but you have to take the bull by the horns and do it yourself, and it is a long tedious job with any amount of anxiety thrown in. The sooner you get to work on a grain warehouse fire the better it is. Organize your workmen, put a boss over each gang and a superintendent over all. My experience has been that it pays to sack all you can, but be careful the grain is not too wet or it will heat and rot. Spread it out first if it is wet and let it dry, then sack it. It looks better sacked and sells better. Keep the piles separate right through until you sell, and the first thing is to get a diagram of the warehouse showing the location, size and ownership of the piles. This is necessary. You have to arrange between you respecting the division of the loose grain. It is generally sold separately and the net result apportioned pro rata amongst the piles according to the original quantity in each. The expenses too have to be apportioned generally pro rata according to the value of amount saved of each pile.

Growing grain adjustments are generally warm work. Tramping for hours over the fields blackened by the burnt grain under the scorching midsummer sun is hard work. Where though the part burnt over is fairly regular in shape it can be meas-

ured with a buggy wheel, by tying something white on one of the wheels and counting its revolutions, then multiply the results by its circumference, but where as is so often the case it is burnt in irregular patches, this way won't do. If I can I generally borrow a chain which is 66 ft. and the necessary pins, or if I can't get one I buy rope, but the rope unfortunately stretches, and after using it say all morning you will find it a foot to a foot and a half longer when you end. The largest wire nails make fair pins, and laths will do for pegs. Measure off in squares and triangles: with the latter base multiplied half the perpendicular will give area. With the chain multiply the length of your squares by the breadth in chains and divide by 100,000. This will give you the acreage. Where the land is billy and the burning very irregular great care is necessary and the plentiful use of pegs. A compass is also very useful in such cases.

For your values take the price of the particular kind of grain at the nearest shipping point and deduct therefrom the cost of heading, threshing sacks, and hauling to the warehouse. This will give you the value of the grain as it stands in the field.

As you are going over the burnt ground you will have to make a careful diagram of it, showing your measurements, and in making this you will find your compass very useful so as to get your lines on the paper to correspond to those in the field.

But a book could be written upon each of these different classes of losses and touching on them in the way I have done will I fear do but little good, and so I will close, thanking you for your kind attention.

Caverly's Double-Header.

The Insurance Index and International Review of Insurance published in New York and London has, in the New York edition of the 31st August, been declared by the editor to be entirely separate and distinct from the European edition published in London. This is forcibly impressed upon the readers of the Insurance Index in the first page of reading matter.

The extraordinary talent shown in getting early information for the New York edition of the Insurance Index is best exhibited by the fact that two matters are dealt with on page 67 of the edition delivered in London 3d September, namely, the Callan case and the Possel case. As Callan was only sentenced on the 24th August to 10 years penal servitude—the same day on which Mr. Joseph Possel committed suicide—the promptness with which this information was cabled to New York so as to be in time for the American edition of the Index, published here on the 3d Sept., cannot be too highly commended. The International Publishing Company and Mr. R. B. Caverly, both of 203 Broadway, New York [where they cannot be found], are to be warmly congratulated on the latest exhibition of what we may call lightning journalism.

We wonder who is the actual printer of the Insurance Index? It has led a very fugitive life for some time past. Men with money have occasionally been got into it, and have moved out as soon as

the money was spent, whilst to Mr. Caverly as an undischarged bankrupt, no possible fresh harm can happen. It is true it is stated to be published by the International Publishing Company, limited, but who prints it?

We must compliment the printers of both the American and the English editions on the extraordinary similarity of the type, on the general similarity in every other respect, and on the fact that the publisher can afford to put a British stamp on the edition "printed in America." Once more we ask who is the printer of the Insurance Index of London and the Insurance Index of New York?

California and Coast Monthly Fire Insurance Losses.

Month	CALIFORNIA.		
	1898	1897	1896
January	\$ 275,012	\$ 126,887	\$ 110,649
February	135,896	180,984	170,316
March	244,223	335,818	171,648
First quarter . . .	655,131	643,689	452,613
April	254,228	120,452	174,644
May	345,420	268,513	340,151
June	228,514	271,717	231,409
Second quarter . .	828,162	660,682	746,204
First six months	\$1,483,293	\$1,304,371	\$1,198,617
July	348,591	271,317	346,253
August	523,982	209,166	241,133
September	264,038	340,713	211,310
Third quarter . . .	\$1,136,911	\$ 821,196	\$ 798,696
October	218,906	170,114	253,459
November . . . . .	...	146,903	130,922
December . . . . .	...	176,833	199,623
Fourth quarter . .	...	\$ 493,850	\$ 584,004
Last six months . .	...	1,315,046	1,382,700
TOTAL of year . . .	...	2,619,417	2,581,517
Month	ENTIRE COAST.		
	1898	1897	1896
January	\$ 483,292	\$ 218,871	\$ 230,220
February	226,201	358,603	276,403
March	374,338	429,420	356,554
First quarter . . .	\$1,083,831	\$1,006,894	\$ 863,177
April	439,286	196,917	365,936
May	516,901	340,911	385,446
June	520,881	407,120	406,554
Second quarter . .	\$1,477,068	\$ 944,948	\$1,158,236
First six months	2,560,899	1,951,842	2,021,413
July	572,183	439,113	619,166
August	717,538	385,921	403,357
September	724,698	543,050	339,267
Third quarter . . .	\$2,014,419	\$1,368,084	\$1,361,790
October	457,882	321,881	427,604
November . . . . .	...	273,069	263,925
December . . . . .	...	273,453	283,031
Fourth quarter . .	...	\$ 868,403	\$ 974,560
Last six months . .	...	2,326,487	2,336,350
TOTAL of year . . .	\$5,600,000	4,188,329	4,357,763

* Estimated.

October Fires.

Washington.

30. (Sept.) Bucoda, fr dwg and hhd furni: London & Lancashire . \$ 750 Palatine 2 280	
15. Lake City, dwg and conts: North German \$800	
14. Garfield, fr dwg: Ætna \$1,500	
29. Marysville, creamery: Ætna \$500	
1. Tacoma, fr woolen mill and contents: Helvetia \$ 956 Western 956 Palatine 5,000 American, Pa. 1,434 Liv. & Lon. & Globe . . 4,803 Phoenix, Hartford . . . 1,956 Norwich Union 1,712 Magdeburg 1,148 Orient 956 American Central . . . 1,195 St. Paul 1,195 Providence-Washington 1,000	
Total \$22,320	
30. (Sept.) Wilbur, bldg & stock: Traders \$481	
21. (Sept.) Palouse, lumber: Liv. & Lon. & Globe . \$2,061	
9. Pierce co., fr barn: Liv. & Lon. & Globe . . \$800	
9. Montesano, conts of doctor's office: Springfield \$882	
28. Mt. Vernon, fr bldg and machinery: London & Lancashire . . \$800 Home 550	
5. Skagit co., shingle mill: Svea \$596 North British 596	
6. Spokane, iron works: Western \$2,500 Norwich Union 1,241 Connecticut 1,241	
6. Spokane, shingle mill: Providence-Washington . \$700	
Spokane, dwg: Franklin \$150	
10. Spokane, fr greenhouse and contents: Phoenix, Hartford . . . \$1,000 Liv. & Lon. & Globe . . 1,000	
Losses under \$500 . . . \$9,831	
Total Washington . \$52,582	

Oregon.

6. Dallas, fr fruit dryer: Liv. & Lon. & Globe . . \$1,200	
28. (Sept.) Corvallis, bldg etc.: Fire Association \$5,100	
26. Drain, fr bldg and mercantile contents: Liv. & Lon. & Globe . . \$1,200 London & Lancashire . . 1,000 Thuringia 1,000	
24. Portland, fr barn: Western Assurance . . . \$600	
11. Salem, ice factory: Fireman's Fund \$1,500 Norwich Union 1,311 Liv. & Lon. & Globe . . 1,250	
Union co., barn and conts: Aachen & Munich . . . \$1,400 Royal 800	
Losses under \$500 . . . \$4,002	
Total Oregon . . . \$20,363	

Montana.

27. (Sept.) Missoula, creamery: Commercial Union . . . \$500	
(Sept.) Bozeman, fr dwg conts: Hartford Fire \$648	
10. Butte, greenhouse and dwg: Western \$1,500	
Butte, fr tile bldg: Connecticut \$570	
24. Butte, dwg and furni: Hanover \$1,000 American Central 500	
Crow Agency, fr dwg & conts: Pennsylvania \$1,400	
17. Missoula, dwg and conts: Lion \$851	
Losses under \$500 . . . \$5,839	
Total Montana . . . \$12,808	

Colorado.

1. Colorado Springs, store and fr hotel & conts & lumber: New Zealand \$ 1,000 Transatlantic 1,250 Manchester 2,850 American, N. Y. 2,500 National 4,000 Scottish Union 3,000 Greenwich 650 Home Mutual 2,500 Sun, London 2,000 Atlas 3,750 Imperial 3,500 Lion 3,250 Helvetia 10,800 Thuringia 3,650 Western 2,500 Fireman's Fund 3,750 Palatine 11,233 Svea 3,600	
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North British	10,000
British America	5,733

Total \$51,516

10. Howard, bldg and stock: Svea \$969	
9. Hooper, grain: Fireman's Fund \$2,500 National 2,500	
13. Telluride, bldg: Imperial \$990	
23. Archeluta co., conts granary: Atlas \$2,000	
Losses under \$500 . . . \$12,185	
Total Colorado . . . \$101,030	

Arizona.

11. (Sept.) Jerome, gen'l fire: National \$1,900	
15. Flagstaff, bldgs and mdse: National \$1,000 Palatine 1,200 Liv. & Lon. & Globe . . 1,500 Ætna 2,200 Sun 1,000 Scottish Union 1,000 Providence Washington 1,000 Phoenix, London 1,000	
Total \$11,800	

21. Mesa, bldg and stock: Fireman's Fund \$1,670	
13. Tucson, adobe dwg: Home, N. Y. \$798	
Losses under \$500 . . . \$4,446	
Total Arizona . . . \$18,714	

New Mexico.

2. (Sept.) Gardiner, coal plant: Svea \$2,425	
Losses under \$500 . . . \$330	
Total New Mexico . \$2,755	

Idaho.

15. Canyon co., conts r dwg: North British \$1,182	
15. Nampa, dwg: Home \$600	
Losses under \$500 . . . \$907	
Total Idaho . . . \$2,689	

Wyoming.

Sheridan co., dwg: Fireman's Fund \$1,000	
Losses under \$500 . . . \$17	

Utah.

8. Salt Lake City, hotel: Hamburg-Bremen . . . \$1,858	
14. Near Salt Lake, dwg: Atlas \$970	

Losses under \$500 \$791
Total Utah \$3,619

British Columbia.

26. Vancouver, saw mill:
Providence-Wash. . . . \$1,000
Hartford Fire 7,500
Commercial Union 6,000
Connecticut 2,500
Losses under \$500 \$1,203
Total British Columbia \$18,203

Hawaii.

Losses under \$500 \$731

Alaska.

Losses under \$500 \$50

Nevada.

Losses under \$500 \$348
Total Outside Territory . \$238,976

California.

27. (Sept.) Corvallis, fr bldgs:
Lancashire \$968
1. Alturas, dwg:
Norwich Union \$2,000
4. Bodie, fr quartz mill:
London & Lancashire \$10,000
Fireman's Fund 2,672
North British 1,611
Sun 1,269
Norwich Union 2,417
Palatine 4,028
National 600
Thuringia 805
American, N. J. . . . 2,014
Royal 3,021
Greenwich 2,014
Union, London 3,000
Phoenix, Hartford 1,000
Connecticut 2,450
Hartford Fire 1,500
Providence-Wash. . . . 1,150
Manchester 2,014
Total \$41,565
26. Durango, dwg:
Home Mutual \$500
10. Cayucos, mdse:
Greenwich \$941
Thuringia 417
Liv. & Lon. & Globe 941
20. Boulder Creek, blacksmith
shop:
Royal \$550
7. Colusa, fr dwg:
Hanover \$500
5. Butte co., fr dwg, barn & conts
National \$2,125
24. Alameda, dwg:
Fireman's Fund \$534
2. El Monte, fr dwg and conts:
Phoenix, Hartford \$625

30. Elk Grove, fr barn, hay, etc:
Phoenix, London \$500

29. Escondido, dwg contents:
Aetna \$1,500

27. Fresno, drygoods & furni and
br bldg:
Thuringia \$ 987
Ins. Co. North America 2,000
Aachen & Munich 1,000
Palatine 1,200
Home, N. Y. . . . 1,956
Atlas 1,200
Scottish Union 1,000
Lion 1,000

3. Field's Landing, fr dwg and
contents:
London & Lancashire . . \$665

21. Grass Valley, fr dwg & conts:
Ins. Co. North America . \$705

24. Grass Valley fr bldg & conts:
Thuringia \$775

12. Green Mountain Falls, dwg
and contents:
Royal Exchange \$800

15. Live Oak, dwg, stable & hay:
Fireman's Fund \$1,139
Home, N. Y. . . . 1,049

23. Los Angeles, br bldg:
London & Lancashire . \$1,115

22. (Sept.) Los Angeles, hhld
furni:
Aachen & Munich \$540

14. Los Angeles, winery:
Aetna \$1,230

23. Los Angeles, restaurant:
National \$889

19. Los Angeles, dwg:
Home Mutual \$898

12. Los Angeles, gen'l mdse:
American, N. J. . . . \$500
Caledonian 500
Milwaukee Mechanics . 500

. . Los Angeles, stock seeds:
Pennsylvania \$658

2. Los Angeles, dwg and conts:
Manchester \$2,278

12. Los Angeles, stk dry goods:
Union, London \$1,000
Law, Union & Crown . . 500

5. Lake co., fr dwg:
Royal \$1,459

9. Marysville, fr dwg:
American, N. J. . . . \$707

24. Madera, fr dwg and contents:
Phoenix, Hartford \$750

15. Oroville dwg, barn and conts:
Fireman's Fund \$905

19. Redding, mill and machinery:
Fireman's Fund \$910

12. Rocklin, dwg:
Atlas \$800

20. Oakland, crockery and glass-
ware:
Atlas \$541

18. Redding, livery stable conts:
Home Mutual \$824

25. Red Bluff, dwg and contents:
Philadelphia Underwri. \$1,800

19. Red Bluff, gen'l fire:
Ins. Co. North America \$1,868
Commercial Union . . . 3,600
Palatine 2,000
London & Lancashire . 1,650

31. Riverside co., dwg:
Svea \$2,500

5. Shasta co., dwg and conts:
Home Mutual \$900

23. Shasta co., barn:
Svea \$500

1. Santa Monica, bldg:
Fire Association \$500

24. Sonoma, fr winery:
Transatlantic \$1,868

10. San Diego, dwg:
Western \$500

10. San Luis Obispo, hotel and
mdse:
Imperial \$1,000
Sun 813

25. Suisun, hay warehouse:
German-American \$3,000

27. Santa Rosa, stone wine cellar
Lancashire \$613

12. Sacramento, furni in dwg:
Hanover \$1,615

15. Sacramento co., dwg:
North German \$500

27. Sacramento co., fr stable:
London Assurance . . . \$1,000

26. Near Sacramento, hay in fr
barn:
Home, N. Y. . . . \$1,200

11. Sacramento co., mdse:
Manchester \$1,143
Caledonian 1,142

17. Sacramento, furni:
Union, London \$2,000
Lancashire 4,000

12. Sacramento, dwg:
Atlas \$1,260

. . Sacramento, hhld furni:
London & Lancashire . . \$515

21. Stockton, dwg and contents:
Atlas \$537

. . Sutter Creek, fr dwg & conts:
Thuringia \$585

1. Solano co., fr dwg, etc:
Svea \$1,400

3. Santa Clara co., con'ts of barn:
Svea \$2,216

15. San Jose, private barn and
contents:

Home Mutual \$1,011

26. (Sept.) San Jose, hotel:

Merchants, N. J. \$ 863

Teutonia 863

Lancashire 1,439

3. San Jose, barn:

Fireman's Fund \$1,500

24. Vallejo, steamer Ellen:

Liv. & Lon. & Globe. . . \$600

Losses under \$500 . . . \$58,357

Total California S. F. ex. \$192,279

San Francisco

15. Mattress factory:

Palatine \$2,302

Imperial 1,351

Lion 1,126

British America 2,253

Lancashire 726

29. Frame saloon:

Aachen & Munich . . . \$950

14. Machine shop:

Franklin \$ 500

Williamsburg City . . . 400

Pennsylvania 590

Caledonian 944

Manchester 944

Lancashire 1,188

14. Merchandise and fixtures:

Franklin \$ 675

Williamsburg City . . . 675

Milwaukee Mechanics . . 1,291

North German 676

14. Contents of frame building:

Union, London \$550

Losses under \$500 . . . \$9,576

Total San Francisco \$26,627

Total California . . \$218,906

Total Pacific Coast \$457,882

Losses by Companies.

Aachen & Munich . . . \$ 4,679

Ætna 9,067

Agricultural 42

Alliance 1,620

American, Boston

American, N. J. 3,800

American, N. Y. 2,500

American, Pa. 1,568

American Central 2,707

Atlas 14,479

Baloise 58

British America 8,476

Caledonian 3,721

Commercial Union . . . 11,591

Connecticut 7,412

Fire Association 7,565

Fireman's Fund 23,295

Franklin 1,325

German Alliance 540

German-American 3,640

Greenwich 4,170

Hamburg-Bremen 2,272

Hanover 3,670

Hartford 11,551

Helvetia 12,556

Home, N. Y. 7,563

Home Mutual 8,902

Imperial 8,995

Ins. Co. North America . . 6,107

Lancashire 9,608

Law Union & Crown . . . 600

Lion 7,078

Liverpool & Lon. & Globe . 16,786

London & Lancashire . . . 10,459

London 1,874

Magdeburg 1,937

Manchester 11,085

Mercantile

Merchants 1,270

Milwaukee-Mechanics . . . 2,180

National, Hartford 15,712

New Zealand 1,610

New York Underwriters . . .

Niagara

Northern 7

North German 3,032

North British & Mercant. . 14,595

Norwich Union 8,997

Orient 2,322

Palatine 31,600

Pennsylvania 5,978

Philadelphia Underwrit. . 2,250

Phoenix, Hartford 6,177

Phoenix, London 3,265

Providence-Washington . . 5,142

Prussian National 320

Queen 604

Royal Exchange 1,313

Royal 7,882

Scottish Union & Nation'l . 6,124

Springfield 2,785

St. Paul 2,321

Sun, London 6,304

Svea 14,853

Teutonia 1,558

Traders 481

Transatlantic 5,371

Thuringia 9,832

Union, London 7,255

Union, Pa. 474

United States 552

Williamsburg City 1,075

Westchester

Western 9,101

Total \$457,882

TO DATE this year . \$5,019,654

TO DATE last year . 3,641,807

State supervision of insurance (says *Insurance Critic*) appears to have early exhibited tendencies that were alarming to its eminent inventor, Elizur Wright, who seems to have become apprehensive that like Frankenstein he had raised a demon that he could not lay. An article from his pen, in 1870, is a very discernable though somewhat veiled revelation of his misgivings on the subject. The title of the article is in the form of a question, "Shall Life Insurance Be Denationalized?" This effect upon the great business of life insurance, which was then assuming dimensions transcending state lines and as wide as the country, was what he feared from the then recent decision of the United States supreme court in the case of Paul vs. Virginia. He says that if the doctrine expressed by the court is to be the settled law of the land, life insurance companies have no national rights whatever which the several states are bound to respect,

and that for the business of life insurance this is virtually a dissolution of the union of the states, leaving the companies to be levied upon by the several states as so many distinct nations.

A better course for the officers of companies would be to resist the tramp examiner, when he comes, rather than publish the fact that they have been blackmailed when he leaves.—*Insurance Journal*.

It doesn't seem possible, but an insurance journal has died a-bornin—the *Southeastern*, of Atlanta.

Thirty-two Cincinnati fire companies have gone out of business—because rates have been too low and because the stockholders preferred large dividends to large surplus.

Penn Mutual Life Insurance Company.

The fiftieth annual statement of the Penn Mutual Life Insurance Company of Philadelphia presents the usual evidence of solid strength and continued prosperity. The receipts were largely in excess of the disbursements, and a large addition was made to the surplus funds.

Going into the statement in detail, and comparing it with those for previous years, we find that the past year was a record-breaker in a number of important particulars. Extraordinary gains were made in new business, in outstanding insurance, in premiums, in assets and in surplus. It was a banner year for the Penn. Death claims were less in amount, dividends to policyholders were larger in amount, and interest earnings made a substantial gain. The amount of insurance marked off was the smallest for several years, and the net gain in insurance in force was the largest in a long period.

Here are some comparative figures which best proclaim the company's prosperity:

	<i>New Business.</i>	<i>In Force.</i>	<i>Assets.</i>
1894	\$22,303,800	\$126,537,075	\$24,960,660
1895	23,071,598	130,146,317	27,365,083
1896	24,514,312	134,594,870	29,405,529
1897	33,656,688	147,973,567	32,218,031

Computing the reserve on a 4 per cent. interest basis, the surplus exceeds \$4,000,000, which amount, being an eighth of the assets, is a liberal guarantee for the future. Altogether, the condition of the company and its manifest prosperity are eminently satisfactory to policyholders and creditable to the management.

The managers for California are Hart & Wooster. Frederick A. Houseworth is assistant manager. These gentlemen are writing a large amount of business for the Penn, and will make a remarkably good showing for the year so nearly at an end. Their offices in the Claus Spreckels building having proved insufficient for the convenient handling of the increasing business of the California department, additional offices have been secured on two floors, and as opportunity offers, other desirable offices will be added. At present Messrs. Hart & Wooster occupy Nos.

608, 609, 610, 611 and 803 in that lofty modern structure.

Mutual Fire Insurance.

The good Town Mutual, of Stanberry, Mo., couldn't collect assessments to pay losses, and it has gone where it was destined to go. A fire mutual is like an Indian—good only when dead.

Here is a hint to our Methodist friends who have faith in a church mutual, and also to others who pin their faith to the National church mutual of Lisbon, Ia. The Free Methodist Association of North America, organized to insure the property of the Free Methodist Church, a few years ago, has gone out of business.

In the cases of the Farmers Mutual Ins. Ass'n v. Burch, supreme court of North Carolina, it was decided that every member voluntarily gave a lien on all his property, including homestead exemption. The policy provided that the member of the mutual should pay his due proportion of all losses and expenses, pledging for that purpose the property insured.

The Iron City Mutual of Pittsburg made itself conspicuous only in rural districts. Took in money wherever it could by writing at any rate necessary to secure the risk, and disgorged only when in the firm grip of the law. At last accounts the receiver was suing the members at the rate of one hundred a day.

The tendency of fire underwriting is towards the elimination of all hindrances in the way of stability and permanent success—preferred business and high commissions, for instance. Wars and rumors of wars may prevail for a long time and the business suffer utter demoralization, but reason and justice must rule in the end. When that time comes all classes of risks will be so rated as to afford the same percentage of profit to the underwriter, as nearly as experience can determine; unprofitable risks will be penalized until they become unprofitable only to their owners, and agents will be rated according to their abilities as profit producers, and the rate-cutting line thief will have been forgotten. We say forgotten, as we are of the opinion that the millenium of fire insurance is afar off.—*Rough Notes.*

The notorious Ft. Wayne Fire—which is doing an underground business in California—has had its license revoked by the Louisiana authorities.

ITEMS.

Americanism: "Gottenuilekshunkardz."

Carbonized saw-dust is the latest invention.

There is another "crisis" in New York city fire underwriting.

Endorsement of "loss payable to" is not subject to the revenue tax.

Canadian life companies will hereafter insure only bread-winners among women.

When you read anything in a daily print about insurance, remember it is not so.

Prizes temporarily held by winners are now insured by the Lloyds, against fire and theft.

Manager Fothergill, the distinguished underwriter who directs the affairs of the London & Lancashire, has resigned and will retire from all active business.

The *Insurance Law Journal* for November contains in full: *Mutual Life v. Logan*, *Stemmer v. Scottish Union*, *Stockton Combined Harvester v. Glens Falls*, *Same v. American Fire*.

The presidents of rival Eastern casualty companies are lecturing and writing for and against "expansion." One is a member of one political party and the other is a member of the other.

The New York correspondent of *Rough Notes* writes: There is no pleasanter duty than to publish news of a wind-fall. It benefits the recipient and sometimes others, by taking the inheritor out of the active field of competition. This is true of T. D. Belfield, joint United States manager of the Imperial, with which he has been connected more than two decades. His property is in California, where he will live in the future.

In *Black and White*: Out in California the other day a man named Ramsey met with a singular and distressing accident while about to enter his home. He was walking up the front steps, with his pipe in his mouth, when in turning to look at a train which was passing he lost his balance. He fell to the ground with the pipe still held in his mouth. His left arm was broken above the wrist, and he struck the ground in such a way that the pipe stem was driven deep into his tongue, breaking after its entrance, and producing an ugly wound. It took the doctor, who was called to attend Ramsey, fully half an hour to extract the pipe stem, so deeply was it imbedded.

THE MUTUAL LIFE leads in Mexico in amount in force.

Here is an example for the insurance solicitor—an example of perseverance: A medical student who began his studies in 1843 has just graduated in Warsaw. He is 75 years old. For twenty years his labor as a teacher returned him insufficient funds. Later, for a political offense he was sent to Siberia, where he worked in the mines for thirty-two years. Released, he began anew his studies and was graduated fifty-five years from the time he began studying for the medical profession.

"Insurance compacts," boards of underwriters, are not formed simply for the making of rates, but take a much wider scope. They are in a great measure a protection to property and life, their superintendents and inspectors discover any attempt at the storage of large quantities of dangerous and explosive materials within the limits of towns and cities under their jurisdiction, which, although it may be prohibited by city, town or village ordinances, will frequently be found just where at any time, should a fire occur, a serious loss of life and property and the maiming of many persons might take place. They see to it that the ordinances are enforced, and if there be no such ordinance that they be enacted and obeyed. So, too, with building ordinances and others intended for the protection of the public from the disasters by fire.—Brown.

The danger is an absolute, immeasurable, and most critical one. It has not yet appeared in full measure among American companies, because few, if any, of those which are exposed to its malign operation have yet reached the static condition which will leave no practical defense against its effects. But the conditions for a disastrous experience somewhere in the future are being fully prepared in many companies. The annual privilege of surrender for cash is now presented as a prime attraction; the bulk of the business is already exposed to be swept away by its exercise. The permanency of corporate life and uniformity of operation, which are absolutely essential to the undertakings of a life insurance company, are put completely at the caprice of members secured by an appeal to selfish interest, not to unselfish, paramount duty. In order to get new members the more easily, they are given unqualified power to wipe a company out of existence in any one year.—President Greene.

Pacific Surety Company Increases its Capital.

—
\$250,000 CAPITAL NOW, AND WILL ESTABLISH AGENCIES IN OTHER STATES.

The Pacific Surety Company of California has increased its capital from \$100,000 to \$250,000. The increased capital stock has been fully paid up. Nearly all was taken by its old stockholders. In addition to the quarter-million capital, the company has a reserve of \$45,000.

The Pacific Surety was incorporated in 1885, with a capital of \$100,000. Heretofore it has confined its business to California, where it has been remarkably successful. With its enlarged capital the company will increase its lines and the scope of its business, and will establish agencies in other states.

The Pacific Surety Company writes fidelity and surety bonds, and steam-boiler and plate-glass insurance. The business is handled through two departments—the guarantee and the casualty.

The bonds of the company are issued to guarantee the faithful discharge of the duties of managers, secretaries and agents of public companies, cashiers, bookkeepers and clerks of banks and other corporations, and all others holding positions of trust. The company's bonds are also accepted as sole and sufficient surety on administrators, executors, guardians, assignees, and on attachment and appeal bonds. In the casualty department the policies of the company insure the owner against loss by accidental breakage, and protect the insured against loss from steam-boiler explosions.

The Pacific Surety Company bears an excellent reputation, for the character of its management and for its record since organized. Claims have always been adjusted on a liberal basis and promptly paid; and the officers and directors are well known wealthy business men of San Francisco. Wallace Everson, a successful and conservative underwriter of many years' experience, is president. Vice-President Bermingham and Secretary Redding are also favorably known in business circles. The directors and stockholders include a

number of the wealthiest and most prominent California business men.

With ample capital and writing increased lines, and with an extended agency plant in new fields, the Pacific Surety Company will doubtless speedily win a place in the underwriting world in keeping with its increased resources, its honorable record, and the solid character of its directors and other stockholders.

Northwestern Mutual Life Appointments.

M. M. Moyer, former Pacific Coast manager for the Connecticut Indemnity Association, losing confidence in that concern by its recent escapade, has resigned his position and joined the Northwestern forces under General Agent Clarence M. Smith. Mr. Moyer was a firm believer in the theory that with their premium rate, the Connecticut Indemnity Association would never have to assess, and when the call came, he immediately resigned. Without doubt, there are honest men selling assessment or so-called "stipulated premium" insurance, but when the scales fall from their eyes, they should do as Mr. Moyer has done, if they would keep their own self respect.

Makinney & Dake, of Santa Cruz, have recently been appointed local agents for the Northwestern Mutual Life for that city and vicinity. They are well known as being among the most reliable business men of that city. They are searchers of records and real estate dealers, besides being the local representatives of several first-class fire insurance companies, and do, as they deserve to, a fine business. Lawrence Dake, the junior member of the firm, is an old Milwaukee boy, who served his apprenticeship in the office of the company before coming to California, some ten or twelve years ago. He is a relative by marriage to Secretary J. W. Skinner; therefore, when he speaks of the company he can talk by the book. We predict success for the agency and for the company in Santa Cruz.

Bad-bye, McNall.

Kansas has ceased to dally with the populist Delilah and is in a fair way to become strong again, in reputation and credit. The insurance men, mindful of McNall the infamous insurance superintendent, fought the populist candidate for governor to a finish. It is understood that the new governor will wear a heavy pair of boots on inauguration day and will see McNall if Mac doesn't see him first.

With this wretch kicked out of office, fraudulent insurance companies will no longer be protected and honest companies will be unmolested, in Kansas, under Governor Stanley, we doubt not.

Ten Years Ago.

Endowment bond swindles were plentiful on the Coast. The Home Benefit and the Home Accident were alive and the members were doing the kicking. There were eleven California fire insurance companies. The following companies not now here or out of existence were then doing business on the Coast: Anglo-Nevada, Alta, California, Commercial, Oakland Home, Southern California, State Investment, Sun, Union (all of California), Amazon, Boylston, Cascade (Wash.), Citizens (O.), Citizens (Mo.), Clinton, Columbia (Or.), Concordia, Firemens (Md.), Firemens (N. J.), German (Freeport), Germania (N. Y.), Girard, Glens Falls, Granite State, Howard (N. Y.), Ins. Co. of Dakota, Liberty, Merchants (N. Y.), Michigan, National (N. Y.), Northwest (Ore.), N. Hampshire, Oregon, Pacific, Peoples, Security, Southern, Sun Mutual, City of London, Economic, Fire Insurance Association, General, Guardian, Hamburg-Magdeburg, London Provincial, National (Ireland), Scania, Straits. Twenty-eight of these forty-eight have gone out of business, failed or reinsured, because the business of fire underwriting was unprofitable. Wm. D. Stafford and Horace L. Spice were written up in the *Coast Review*. President A. J. Bryant of the State Investment & Ins. Co. fell from a ferryboat and was drowned. Uriah B. Wilson and J. W. Staples organized a general agency in San Francisco. The first and only banquet of the Pacific Insurance Union. President Gustave Touchard of the Union Ins. Co. died. A New York paper printed alarming articles on San Francisco's "peril," declaring that "no other large city is better calculated to furnish food for a conflagration." The Security Fire of Spokane, a wildcat, died after a short single life. The Fire Relief Association of California had a phantom existence. Geo. S. Brander was elected president of the State Investment and immediately began to raise hell.

Another evil is the present system of taxation. It is safe to say that insurance companies will always be called upon to contribute towards the public revenue, but the tax should be just and equitable, and not discriminate between companies of the same class. Why should mutuals by exemption

from taxation call the state to their aid to enable them to compete with other companies? The method of taxation adopted is also unbusinesslike. I would suggest the following in place of the present system of fees and taxes: "Every corporation transacting the business of fire insurance shall on the first day of February of each year pay to the commissioner of insurance, in lieu of all other fees and taxes, except taxes on real estate, a tax of three per cent. on the premiums received in the state during the preceding year, after deducting all losses incurred and paid during such year."—Fricke.

Some Reduced Figures of Fraternal Beneficiary Associations.

	Jan. 1.	In Force.
American Benevolent Ass'n . . .	1897	\$ 2,563,460
St. Louis, Mo.	1898	2,178,100
American Legion of Honor . . .	1897	89,888,500
Boston, Mass.	1898	51,612,500
B'nai B'rith Independent Order .	1897	4,489,750
New York, N. Y.	1898	4,291,500
Catholic Knights of Am.	1897	38,891,500
Norfolk, Va.	1898	36,803,000
Chosen Friends, Order of	1897	39,947,500
Indianapolis, Ind.	1898	36,905,000
Empire Knights of Relief	1897	5,157,800
Buffalo, N. Y.	1898	2,709,000
Empire Mutual Union	1897	685,500
Syracuse, N. Y.	1898	408,200
Foresters of America	1897	814,000
Brooklyn, N. Y.	1898	712,500
Fraternal Beneficial Ass'n . . .	1897	8,310,000
Toledo, O.	1898	7,709,500
Fraternal Legion	1897	2,984,500
Baltimore, Md.	1898	2,379,500
Fraternal Mystic Circle	1897	22,146,000
Philadelphia, Pa.	1898	22,032,000
Free Sons of Israel	1897	11,681,000
New York, N. Y.	1898	11,550,000
Golden Chain, Order of	1897	23,499,500
Baltimore, Md.	1898	18,921,500
Home Circle, Sup. Council . . .	1897	13,210,000
Boston, Mass.	1898	12,203,000
Iowa Legion of Honor	1897	12,286,000
Cedar Rapids, Ia.	1898	11,413,000
Knights & Ladies of Golden Star	1897	4,624,750
Newark, N. J.	1898	4,297,500
Knights & Ladies of Honor Sup. L.	1897	84,462,000
Indianapolis, Ind.	1898	78,847,500
Knights of the Golden Eagle . .	1897	2,696,500
Philadelphia, Pa.	1898	2,185,000
Knights of Honor, Sup. L. . . .	1897	178,027,000
St. Louis, Mo.	1898	161,414,000
National Provident Union	1897	10,904,000
New York, N. Y.	1898	7,461,500

National Union	1897	137,214,000
Toledo, O.	1898	133,236,000
Northwestern Legion of Honor	1897	4,667,000
Marengo, Ia.	1898	4,122,000
Order of Select Friends	1897	9,189,000
Fort Scott, Kan.	1898	7,910,000
Red Cross, Order of and Knights of	1897	4,666,000
Detroit, Mich.	1898	3,027,000
Royal Fraternity	1897	2,609,000
Minneapolis, Minn.	1898	2,139,000
Royal League	1897	54,912,000
Chicago, Ill.	1898	48,605,000
Royal Society of Good Fellows	1897	23,134,500
Boston, Mass.	1898	21,890,000
Select Knights, Order of	1897	6,290,887
Batavia, N. Y.	1898	4,121,500
Shield of Honor	1897	9,737,000
Baltimore, Md.	1898	9,953,750
Sons of Abraham	1897	1,075,000
New York, N. Y.	1898	1,046,000
Templars of Liberty of America	1897	3,114,000
New York, N. Y.	1898	2,930,000
United Friends, Order of	1897	22,245,500
New York, N. Y.	1898	17,347,000
United Friends of Mich.	1897	4,678,500
Detroit, Mich.	1898	3,734,000
Summary entire order A. O. U. W.		
Supreme Jurisdiction	1897	738,198,000
Maryland.	1898	695,980,000

Withdrawals in Life Insurance.

So long as a company is rapidly growing, the practical danger of withdrawals is at minimum and their operation partly concealed, and hope may dwell in the fool's paradise. But to every company will come, ought to come, in time, the condition when no pressure can make its inflow of new business exceed its outflow, and when its true normal will be a stable equilibrium in amount at risk, in assets and outgo. Consider a company in such a case, meeting those general business conditions which cause most men to take command of all available cash resources, with a membership which has been educated to regard their policies as tickets for cash practically on demand, and who have taken them in such a company because they were so available, who were willing to protect their families so long as they did not want to use the money themselves, but who, not having been educated to put family protection above every other interest and duty, would take that protection only where it would not interfere with their free use of the money when they wanted it, and what may that company reasonably, inevitably, expect? It will suffer a withdrawal of its members proportioned to the in-

tensity of financial difficulty and pressure: in severe times a very great number, greatly reducing its vitality basis, certainly taking out its best and leaving its worst lives, and raising its mortality, and requiring the conversion of its best investments into cash at a most unfavorable moment for their sale, in order to enable it to pay out large sums to its outgoing members, thus destroying its own credit, and furnishing strong reason to every sound life to get out.—President Greene.

Compacts Should be Protected by Law.

Instead of anti-compact laws and laws prohibiting the forming of local boards, there should be laws protecting such associations, possibly with some proper restrictions. If such could be rates would be lower, the destruction of property by fire lessened, millions of dollars worth of property saved that is now burned and can never be replaced, for the property is wasted, although the person or persons be insured and thus saved from financial embarrassment or ruin. Who is it that objects to companies forming associations—compacts, if you choose to call them such—for the mutual benefit of insurer and insured, the making of a fair and equitable rate, and the enforcement of good underwriting practices? Is it the liberal, enterprising merchant, manufacturer or capitalist? No, it is as a rule the narrow, contracted minded man who knows nothing of insurance and probably but little else outside of his own business, and who is largely governed by his prejudices, whose cry is "the insurance companies are making too much money"; "we have not had any fires of importance for years"; "rates should come down"; "we should not be taxed to pay losses in other parts of the country" "we should be rated solely on the merits of our own locality." Were this fellow asked the question: "If a fire were to occur causing a loss to insurance companies many times the amount your city or town has paid in premiums, would you be willing on the rebuilding of the burned territory to pay an increased rate sufficient to reimburse the companies for their loss in this locality within a reasonable time?" The reply you can readily imagine. That would be "a horse of another color," and he would pronounce such a demand as outrageous.—Brown.

Calendars are almost ripe enough to pick. Same old flavor though.

Giants are still breeding. Another American child of English parentage is announced,

Pacific Coast Fire Insurance Losses in 1898, by States.

MONTHS.	SAN FRANCISCO.	CALIFORNIA, EXCEPT SAN FRANCISCO.	CALIFORNIA, TOTAL.	OREGON.	WASHINGTON.	IDAHO.	MONTANA.	NEVADA.	UTAH.	ARIZONA.	COLORADO.	TOTAL 1898.	TOTAL 1897.
January.	\$ 39,522	\$ 235,490	\$ 275,012	\$ 18,034	\$ 124,821	\$ 911	\$ 28,888	\$ 569	\$ 4,682	\$ 3,216	\$ 21,938	\$ 483,292	\$ 215,271
February.	62,378	73,518	135,896	17,491	22,559	8,695	11,089	450	950	8,170	7,351	226,201	358,603
March.	102,479	141,744	244,223	13,735	44,084	203	40,709	190	14,393	1,520	14,705	374,338	420,420
April.	68,311	185,917	254,228	42,930	22,494	70,254	17,236	511	2,371	17,359	9,773	439,286	196,917
May.	61,960	283,460	345,420	38,971	40,168	7,154	10,881	525	13,106	46,862	10,738	516,901	340,911
June.	33,286	195,228	228,514	19,805	64,090	4,977	15,062	1,041	111,363	8,111	15,387	520,881	407,120
First Six months '98 . .	\$ 367,936	\$ 1,115,357	\$ 1,483,293	\$ 150,966	\$ 318,210	\$ 92,194	\$ 123,865	\$ 3,286	\$ 146,865	\$ 85,238	\$ 79,892	\$ 2,560,899	\$ 1,951,842
" " '97 . .	342,861	960,740	1,303,601	128,554	142,335	50,588	106,475	11,365	114,218	10,717	44,628	2,560,899	1,951,842
July.	34,037	314,854	348,891	42,210	34,203	2,527	58,000	..	19,348	331	2,170	512,183	439,113
August.	17,805	505,177	523,982	95,642	45,759	3,543	3,090	1,759	2,969	36,734	2,085	717,538	385,921
September.	14,241	249,797	264,038	27,374	49,603	5,051	11,939	342	11,704	130,828	10,268	724,698	543,050
October.	26,627	192,279	218,906	20,363	52,582	2,689	12,808	348	3,619	18,714	101,030	457,582	321,881
November. . . . .	..	..	..	..	..	..	..	..	..	..	..	..	273,069
December. . . . .	..	..	..	..	..	..	..	..	..	..	..	..	273,453
Last Six months '98. . .	..	..	..	..	..	..	..	..	..	..	..	..	..
" " '97. . .	252,628	1,063,418	1,316,046	256,457	235,236	84,154	124,735	17,309	50,235	57,297	65,364	82,236,487	..
Total, 1898. . . . .	..	..	..	..	..	..	..	..	..	..	..	..	..
Total, 1897.	595,489	2,024,158	2,619,647	385,001	377,571	134,742	231,210	28,674	164,453	68,014	109,992	..	\$4,188,329

§ Through San Francisco agencies. * Totals include small losses in outside territory, as New Mexico, British Columbia, etc.

Coast Fire Losses.

The October losses are not favorable for the year's total. They are considerably more than for October last year, and bring this year's losses up to an amount about \$1,400,000 more than in the same period last year. If December proves to be a very rainy month, as we all hope, this excess will probably be reduced; but at best, Coast losses will be much more this year, and will more than offset the increased premium income.

CHIPS.

—President Ellerbe of the UNION CASUALTY & SURETY Co. has wisely declined to engage in any cut-rate war in the East.

—John T. Griffith has been appointed agent of the companies formerly represented by Brod-rick & Griffith in Los Angeles.

—Com. Gutte of Gutte & Frank was on the wrong ticket at the recent election, and was defeated by a small majority. Mr. Gutte would have made a first-class member of the board of supervisors for San Francisco.

—J. G. Edwards of the *Coast Review* won in the recent election. He was elected a member of the board of equalization for the first or San Francisco district, by a majority of over 2,000. We are confident that Mr. Edwards had the support of every insurance man.

—Dawson.—The expected conflagration occurred in the "business section" of this Klondike town, last month. We shall be surprised to hear of any insurance. Private advices are to the effect that the "boom" up there now has a very hollow sound, and that the Klondike gold fields are now generally known to be more or less a fake.

—A HARD HIT.—With regard to the relationship of the commissioner and the insurance fraternity. The commissioner of insurance is essentially a politician. Existing conditions have made him so, and the insurance fraternity, great and powerful as it is, has done nothing to change this condition. Where should the people have learned that, to properly fill the office of commissioner of insurance, a knowledge of insurance is required, when day after day, they see all sorts and conditions of men appointed as agents to represent the insurance companies, many, not to say most of them, having absolutely no knowledge of the business.—Ins. Com. Fricke.

—The Colorado local agents' association has formally thanked President Irwin of the Fire Association, for the position he has taken.

—While the National and Springfield have measurably shared with their fellows in meeting the loss situation, it is gratifying to us, at this writing, to say that while we should have been pleased if the profit account had been larger, we are comfortably within the border-line between profit and loss.—*Fire Alarm*.

—The locomotive, while running slowly through a village, exploded, killing both engineer and fireman. Both men were insured in the PACIFIC MUTUAL LIFE. A frame hotel near was demolished, but none of the inmates was seriously hurt, strange to relate. The explosion of a locomotive occurs oftener than is supposed; but we have never heard of a steam fire engine explosion.

—After the elections the only thing lacking to complete insurance happiness is a new American insurance journal, which Walter P. Dickerson and Braunwart & Brockhoff have kindly undertaken to supply. *The Policyholder and Local Agent's Trade Journal and National Journal of Fire Defense and Insurance Reporter*, of Cincinnati, we bid you welcome! but really, you must excuse us from naming you in full when quoting you hereafter.

—These conditions have been provoked by the arrogant selfishness of some and the insidious disloyalty of others, both inspired, encouraged, and sustained by that omnivorous greed for volume of income which appears to have banished from the philosophy of the average modern underwriter, that old-fashioned, but none the less good and wise maxim "Live and let live" and substituted in its stead the doctrine of each for himself, and the devil take the hindmost. It is said that each man secretly believes all men to be mortal but himself, and no doubt each fatuous manager cherishes the fond idea that he will be able to save his bacon, and that it is the "other fellow" who will fall into the clutches of the devil. This aggrandizement of self and consequent belittling of the "other fellow" lies very close to the root of nearly all the ills which threaten the prosperity of our business, and as Lucifer fell through pride, I fear me much that several bright lights which now so brilliantly illumine the underwriting firmament, will some day be summarily snuffed out through self-conceit.—Janvier.

—Etna (Fire) stock recently sold 272½.

—General Agent Tom C. Grant is in the Northwest.

—The new Indemnity Fire has been admitted to Colorado.

—General Agent Geo. H. Tyson is in the Northwest on a business trip.

—The Merchants of New Jersey will begin writing in Oregon, January 1.

—Begin your subscription with the January number and receive the December number free.

—The late Adolph Sutro, the San Francisco millionaire had \$15,402 insurance on his life in the MUTUAL LIFE.

—J. F. O'Brien, of O'Brien & Peckover, an agency firm at Anaconda, Mon., visited San Francisco last month.

—The regular quarterly meeting of the Fire Underwriters' Association of the Pacific was held on the 15th inst.

—The Decimal Mutual Life Ins. Co. of California has its home office in the Safe Deposit building, San Francisco.

—Assistant General Agent Bagley has just returned from an extended trip through the Pacific Southwest. He reports the business outlook as better than a year ago.

—The German Alliance Insurance Co. of New York is making a separate deposit in Oregon in connection with the policy of the German Alliance Ins. Ass'n, which is now secured by a \$100,000 Oregon deposit.

—Montgomery Baggs of Baggs & Stovel, general agents of the American and the Mercantile of Boston, has been visiting the home offices of the companies. Manager Hosmer of the Western department accompanied him.

—The latest folly is the Utah State Millers Mutual Fire Ins. Co., destined to a few days and fullness of trouble. The fire underwriters are not such fools as to start a mill company to supply themselves and their employes with flour.

—Colorado has the distinction of not having any association at the present time. They had one some years ago, called the Rocky Mountain Field Club, but they have not had a meeting for over two years, and it has probably died a natural death.—Reekie.

—Elsinore, U.—Attempt to burn school building.

—Insurance agencies are to be taxed \$200 annually in Denver.

—DENVER.—A. E. Clough is now the Northern's mountain fieldman.

—The Peninsular Mutual of Michigan has been obliged to "let go." Next!

—The United States Casualty will retire from the Coast on January 1.

—WHY?—The EQUITABLE LIFE tells you why on an ad page—you life men.

—New Frankfort-American and Thuringia American admitted to Colorado.

—John C. Paige & Co., Boston, captured the \$14,000,000 Northern Pacific line.

—THE PREFERRED'S honor roll continues to bear the San Francisco agency on top.

—Manager Donnell of Salt Lake favors us with the missing Aug. '97 *Coast Review*.

—The Washington Life is now issuing a 5% gold bond policy that is very attractive.

—Tacoma.—The Northern Pacific Land Co. have recently had three incendiary fires.

—E. J. Louis, of Los Angeles, special agent of the Fire Association, was in town last week.

—Special Agents Frank N. Rust of the Niagara and John A. Prinsen of the Prussian National are in town.

—Board rate \$1.15, but the whole wholesale line was placed in New York at 75 cents. This was in Arkansas.

—William Kettner, superintendent of agents for the Germania Life, with headquarters at Visalia, Cal., has taken up the Preferred Accident Insurance Company in connection with his life business. We wish him success.

—General Agent Spencer of Boardman & Spencer of the Etna made a flying trip to the Islands on company business, transacted that business, and returned via next steamer. Passing from island to island he was hardly on land long enough to get off his "sea legs." He was able, however, to enjoy the hospitality of the people and the beauty of the scenery, and to note the feeling of confidence in the stability of values since annexation.

—Some companies are giving away indemnity if San Francisco has a normal fire loss total in the next twelve months. This city can not always be lucky.

—The Postoffice department at Washington states that the abbreviation for "California" adopted by the department is "Cal." and for Colorado, "Colo."

—FIRST.—The Continental sends out thus early a calendar card and a handsome lithograph of a Continental soldier of 1776. It is copyrighted by the company.

—THE EQUITABLE LIFE leads in amount in force in West Indies, Europe, Australasia and Central America, among the American companies writing in foreign lands.

—In England Too.—*Insurance Observer* of London says: "We are familiar in this country with the utterances of more or less ignorant town councillors and other municipal authorities."

—The National Association is working hard against "twisting." To be twisted is to be wrung, and to be wrung is to be wrong. Such is the root meaning of wrong. *Ergo*, twisting is wrong.

—W. M. Fleming, who has been, for the past ten years, with the Northwestern Mutual Life Insurance Company of Milwaukee, has joined the Seattle agency of the Mutual Life Insurance Company of New York.

—"What is wanted is a lot of underwriters in stripes," said a morning paper in San Francisco; and on the day after the election that paper was a mourning paper indeed, and such a beating must have left some stripes.

—Henry Homes Smith of the Union and Law Union & Crown reports merchants in the Northwest are increasing their stocks, there being satisfactory prospects of greatly increased sales. Many Eastern people are buying homes up there.

—Vice-President F. Miethke and U. S. Manager Rasor of the Magdeburg visited their Pacific Coast managers, Messrs. Gutte & Frank, last month and left for an extended trip through Mexico. They return by way of the southern states to New York.

—F. J. H. Manning, special agent for the Palatine and Traders in the Northwest, is in town. Mr. Manning will spend the winter in southern California, and Special Agent Rodgers will look after the companies' interests in the Northwest until his return.

—Taught by the recent blaze and a low pressure, Colorado Springs is resolved to buy a steam squirter.

—Messrs. Thomas and Newcomb have been appointed agents of the Law Union and Crown in Spokane, Wash.

—The Japs are making a failure of life insurance. A Japanese company disappears every dark of the moon.

—The Economy gasoline lamp has not been approved by the Board of Fire Underwriters, as claimed by salesmen.

—SKAGUAY.—Fire protection is promised for this year-old Alaskan town. Apparatus has been purchased and is now en route.

—THE NEW YORK LIFE leads in amount in force in Canada, in Asia and South America, among the American companies abroad.

—New Zealand seriously proposes to embark in accident insurance. It already insures lives, though not with brilliant success.

—G. D. Corliss, of Chicago, assistant manager Western department The Merchants of Newark, visited San Francisco last week.

—Mr. Harmood Arthur Banner, attorney (manager) of the Norwich Union Fire Ins. Society for New Zealand, was in San Francisco for a day or two on his way home from a visit to the head office at Norwich, Eng. He left on the steamer for New Zealand last week.

—"Danger" favors us with another warning note. We may be sure that "Danger" is doing business on a commission basis, and cannot compete for San Francisco business under present conditions. He complains that the situation here is exactly the same as in New York before the break.

—On October 28th the PREFERRED celebrated its thirteenth anniversary. The agency corps have always made a special effort for this occasion, and Manager Godwin is confident that the day's record will show an increase over "Atwood Day" when his agency sent in a quarter of a million in new business.

—The following appears in the *Evening Bulletin* of San Francisco: "Underwriters Elect Directors. At a meeting of the stockholders of the Pacific Undertakers," etc. This reminds us of the insurance commissioner at an underwriters' dinner, who began with "I am pleased to join in the festivities of undertakers."

THE COAST REVIEW.

—Manager Landers of the Imperial and Lion has appointed Amos F. Sewell special agent and adjuster for California north of Tehachapi and Santa Barbara.

—The Denver & Rio Grande railway is charged with responsibility for the recent Colorado Springs fire, and will be sued for damages by the interested underwriters.

—Chas. D. Haven, resident secretary of the Liverpool & London & Globe Ins. Co., has been sojourning in the southern part of the state for a few weeks, enjoying a much needed rest.

—Ira M. Breedlove, for the past six years cashier at the GERMANIA LIFE INSURANCE CO.'s offices in San Francisco, has resigned his position and gone into business on his own hook, locating in Oakland, Cal.

—THE PROVIDENT SAVINGS paid \$301,419.90 death claims in the quarter closing September 30. Among them, \$10,000 on the life of the late Attorney Thomas R. Knox, the well-known San Francisco wheelman.

—At Riverside, Cal., Louis Benmore is defendant in a suit brought by the Mutual Life for the annulment of a policy on the ground that insured had consumption when he applied for insurance, and therefore obtained it by fraud.

—General Agent J. D. Coleman, of the Home Ins. Co., passed through San Francisco on his way to Portland, last week, returning from a visit to the home office in New York. Mr. Coleman represents the Home in the Pacific Northwest.

—The Fire Underwriters' Clerks Association's regular monthly meeting was held October 17. Several new names were voted on for membership. A. R. Gurrey read a paper on adjusting, which is reproduced elsewhere in this number.

—By lawsuits the members of the defunct Odd Fellows Life Association of Wisconsin have been compelled to pay one-third of \$80,000 death claims long past due. That is all that can be collected. The "insurance" was too cheap.

—Sometimes some other branch of business affords an easier introduction, with some men, than insurance. Life and fire agents and solicitors are invited to correspond with the Realty Syndicate, 14 Sansome street, for particulars of an agency for the bonds sold by that company.

—Major Day, manager Pacific Coast department of WASHINGTON LIFE INS. CO., is looking for a capable successful man to represent his company as general agent for Washington. Here is an excellent opening for a man with a good record. The Washington should do exceedingly well in Washington.

—Compact ratings equalize and adjust the cost of insurance, placing each risk on its own merits. It wrongs no one. It is a benefit to the owner of well built and well cared for buildings and an inducement to those which are poorly constructed and badly cared for to improve them in both respects, thus benefiting himself as well as his neighbors whose property is exposed by his poorer risk.—Brown.

—Foster McGurn has been re-appointed superintendent of agencies by Messrs. A. B. Forbes & Son for the MUTUAL LIFE of New York. Mr. McGurn filled the position of superintendent for several years under General Agent Forbes and earned an enviable record as an organizer and developer. He also placed a large amount of business on the books of the company as a result of his personal work, and will no doubt repeat his former experience with the grand old Mutual at his back. Mr. McGurn has been out of the business for several years, residing in the East. He reports business picking up everywhere east of the Rockies.

A GENERAL AGENT WANTED for Washington State for Washington Life

An excellent opening for a man with a good record. Manager Day of the Pacific Coast Department of the Washington Life Insurance Company is looking for a capable man to represent the company in Washington as its general agent for the State.

Address him at

Safe Deposit Bldg, San Francisco.

Printery	} <i>The Coast Review Job Print</i> <i>is now handsomely</i> <i>and conveniently</i> <i>Located</i> <i>at 516 Commercial Street</i>
Removal	
Notice	

THE COAST REVIEW.

—Manager Lamey of the British America and Western visited San Francisco last week.

—Elsewhere we print a list of the Spokane fire agencies. We shall take pleasure in printing similar lists, as compiled by any of our readers.

—Manager Godwin of the PREFERRED ACCIDENT predicts a very good year for insurance interests in the Pacific Northwest. Times are good up there, and the only croakers are in the frog-ponds.

SAN FRANCISCO MAP WANTED.

Volume 5 San Francisco Fire Map

Is wanted by the undersigned. Office having copy for sale will please address

FRANK K. RUST,

Niagara Fire Insurance Company,

216 Sansome St.,

SAN FRANCISCO.

WANTED!

Competent and experienced

LIFE INSURANCE MAN

FOR THE WHEAT DISTRICTS OF
EASTERN OREGON.

Best opportunity in six years.

POND & McCANDLESS, Managers

MUTUAL LIFE INS. CO. OF NEW YORK,

Oregonian Bldg., Portland, Or.

—No More Charts! Our supply of the Coast Review Insurance Chart 1898 is exhausted. And it was the largest edition ever published.

—There were, on July 1, last, 185 companies in the hands of receivers, none of which had ever been associated with board or tariff organizations.

THE REALTY SYNDICATE.

SAN FRANCISCO, CAL.

Authorized Capital, \$5,000,000.00

Assets Sept. 30, 1898, \$3,653,578.55
Capital Paid in, 1,704,150.00

Issues INVESTMENT CERTIFICATES

In any amount from \$100.00 to \$10,000.00,
payable in one sum or in installments.

Interest 6 per cent. per annum, pay-
able semi-annually.

All profits in excess of 6 per cent. shared pro
rata between capital stockholders and
investors.

*The Syndicate owns a large amount of
choice Oakland city and suburban
property.*

The most important factor in the development and
marketing of suburban property is the

RAPID TRANSIT STREET RAILROAD.

The Syndicate's railway interests control the en-
tire Oakland, East Oakland, Berkeley and
Alameda street railway system.

Agents Wanted. Good Contracts for Live Men

14 Sansome Street, San Francisco.

Better than Klondike!

Over fifty million dollars of farm products in Oregon and
Washington during 1897.

A larger crop and better prices in prospect for 1898. Some of
this money will go for life insurance.

The Penn Mutual Life Insurance Co.

. . . OF PHILADELPHIA . . .

Nearly doubled their total insurance in force in these States in
1897, and offer unequalled attractions, both for the agent
and the insured.

*To reliable agents the most liberal contracts and desirable territory can be given.
Address at once,*

SHERMAN & HARMON, General Agents,

North Pacific Department, 727, 728 and 729 Marquam Building, Portland, Ore.

THE COAST REVIEW.

The *Spectator* tells a good story of a Western insurance department which sent a livery-stable keeper to examine an Eastern life insurance company. One day he said to one of the examiners, "The insurance commissioner of this state must be a successful lawyer." No; he was not a lawyer. "But here is his annual report, and it shows him to be attorney for most of the companies." This bright ex-horseman has since been appointed actuary of that Western insurance department.

A SPOKANE WANT.



WANTED! ---

AN EXPERIENCED LOCAL WANTS
EXCLUSIVE AGENCY FOR THE
CITY OF SPOKANE OF A GOOD
FIRE INSURANCE COMPANY HAVING
LARGE REINSURANCE FACILITIES.

ADDRESS---

W. Fullerton,

Spokane, Wash.

(Formerly of Great Falls, Mon.)

THE Union Central Life INSURANCE COMPANY, Cincinnati, O.

ASSETS, Jan. 1, 1898 - \$18,705,130.31
SURPLUS, 4% Standard - \$2,611,370.91

Total Amount Insured - \$106,517,344.00

No Fluctuating Securities
Largest Rate of Interest
Lowest Death Rate

*Endowments at Life Rates and Twenty
Payment Guaranty Policies
Specialties.*

Large and Increasing Dividends to Policyholders
DESIRABLE CONTRACTS and

Good Territory open for LIVE AGENTS.

Address JOHN M. PATTISON, President, or
G. C. PRATT,

Manager Pacific Coast Department

405 Montgomery Street

San Francisco.

PACIFIC COAST DEPARTMENT

Franklin Fire Insurance Company

OF PHILADELPHIA. INCORPORATED 1827.

Surplus to Policyholders \$1,507,735.00

Williamsburg City Insurance Company

OF NEW YORK. INCORPORATED IN 1853.

Surplus to Policyholders \$1,185,148.00

ED. E. POTTER, GENERAL MANAGER.

508 California Street

SAN FRANCISCO.

The City Trust, Safe Deposit and Surety Company

Of Philadelphia

Incorporated 1886.

FULL PAID CAPITAL. - - \$500,000.

ASSETS Jan. 1, 1898, \$2,768,690.78

This Company becomes Surety for the fidelity of Officers and Employees of Banks, Trust Companies, Railroad Companies, Express Companies and other Corporations.
It becomes Surety upon Contracts with the different States and Cities and with the National Government. **It is accepted as Sole Surety under the Act of Congress passed August 13, 1894.**

*It is approved by the Courts as Sole Surety for Receivers, Assignees, Committees,
Administrators, Executors, Trustees and Guardians, and in cases of Attachment
Replevin, Appeal, Capias, &c., where bonds are required.*

CALIFORNIA DEPARTMENT: - 508 California St., SAN FRANCISCO.

HENRY WADSWORTH, (Cashier Wells, Fargo & Co.) Resident Vice-President.

EDWARD E. POTTER, Resident Sec'y. FREDERICK S. STRATTON, Attorney.
AGENTS WANTED.

THE COAST REVIEW.

OUR PACIFIC COAST INSURANCE DIRECTORY.

Fire and Marine Insurance Agencies.			Fire and Marine Insurance Agencies.		
Phone	General Agents and Companies.	Address.	Phone	General Agents and Companies.	Address
548	Baggs & Stovel	411 Calif.	1991	Fireman's Fund Ins. Co.	401 Calif.
	American, Boston		1034	Folger, Herbert	325 Calif.
	Mercantile, Boston			Phoenix, Hartford	
5107	Bailey, James D.	412 Calif.	1015	Fowler, W. H. C.	210 Sans.
	Ins. Co. North America			Austrian Phoenix	
331	Balfour, Guthrie & Co.	316 Calif.	1632	Grant, Geo. F.	221 Sans.
	(A. H. Small, Manager)			London Assurance, London	
	British & Foreign Marine			Northern Assurance, London	
	Yangtze, Shanghai		71	Grant, Tom C.	212 Pine
354	Belden, H. K.	313 Calif.		North British & Mercantile	
	Hartford Fire			Greenwich, N. Y.	
	N. Y. Underwriters Agency			Graves, D. W. (Special Agent) .	302 Pine
272	Bertheau, Cesar	423 Calif.		Continental, New York	
	Hanover, N. Y.		288	Gutte & Frank	303 Calif.
	Aachen & Munich Fire			Magdeburg, Germany	
427	Boardman & Spencer	514 Calif.		Wilhelma, Germany	
	Etna, Hartford			Kosmos, Hamburg, Germany	
5414	Bromwell, L. L.	410 Calif.		Associated Assurance Cos.,	
	Milwaukee Mechanics, Wis.			Germany	
1842	Brown & Sons, Edward	411½ Calif.		Hall, Edward	
	American, Phila.			Royal Exchange	
	Svea, Sweden			Portland, Or.	
	Agricultural, N. Y.		38	Harrison, Wm. Greer	305 Calif.
684	Butler & Haldan	413 Calif.		Thames & Mersey Marine	
	Phoenix, London		666	Haven, Chas. D.	422 Calif.
	Providence-Washington, R.I.			Liverpool & London & Globe	
1466	Callingham, W. J.	420 Calif.	1184	Herold, Jr., Rudolph	415 Calif.
	Sun, London			Hamburg-Bremen	
	Orient, Hartford		1086	Home Mutual Ins. Co.	318 Calif.
680	Catton, Bell & Co.	406 Calif.		Keller, H. C.	210 Sans.
	Union Assurance, London			Westchester	
	Law Union & Crown			Lamey, H. T.	
195	Christensen, Chas.	317 Calif.		British America	
	American-Central, St. Louis.			Western, Denver, Col	
	St. Paul. F. & M.		336	Landers, William J.	205 Sans.
	Coleman, J. D.			Imperial, London	
	Home, New York,			Lion, London	
	Portland, Or.		396	Laton, Chas. A.	439 Calif.
5968	Davis & Son, J. B. F.	208 Sans.		Palatine, Eng.	
	Standard Marine, Liverpool			Traders, Chicago	
433	Davis & Watson	221 Sans.	1597	Loaiza, W. & Co.	216 Sans
	British America			Prussian National	
	Western, Toronto			Niagara	
1100	Davis & Henry	215 Sans.	5710	Lowden, W. H.	314 Calif.
	Victoria, N. Y.			Norwich Union	
	Greenwich, N. Y.		746	Macdonald, William	315 Montg
1886	Devlin, Frank J.	309 Sans.		London & Lancashire, Eng.	
	Atlas, London			Norwalk Fire	
689	Dickson, Frank W.	501 Montg		English-Am. Underwriters	
	Royal Exchange, London		720	Manheim, Dibbern & Co.	217 Sans.
822	Dornin, George D.	409 Calif.		Scottish Union & National	
	National, Hartford		169	Mann & Wilson	322 Calif.
	Springfield, Mass.			Lancashire, Eng.	
5817	Driffield, V. C.	213 Sans.		Teutonia, New Orleans	
	Transatlantic, Hamburg			St. Paul (Marine)	
	Hamburg Underwriters			La Fonciere Marine	
1991	Dutton, Wm. J.	401 Calif.		L'Universo Marine	
	Ins. Co. State of Penn., Phila.		538	Maxwell, J. D.	421 Calif.
	Rhode Island Underwriters			Continental	
	Boston Marine		5639	Medcraft, R. C.	319 Calif.
201	Edwards, L. B.	323 Calif.		Scottish Union & National	
	American, N. J.				
	Manchester, England				
	Caledonian, Edinburgh				

Phone Main when not otherwise stated.

THE COAST REVIEW.

OUR PACIFIC COAST INSURANCE DIRECTORY

Phone	General Agents and Companies.	Address.	Phone	General Agents and Companies.	Address.
649	McNear, Geo. W. Merchants, N. J.	308 Sans.	1376	Forbes & Son, A. B. Mutual Life, N. Y.	Mutual Life Bldg
1724	Mitchell, Geo. M. Westchester, N. Y. Home, N. Y.	210 Sans.	699	Garniss, Jas. R. American Surety, N. Y.	219 Sans.
1554	Mullins, C. F. Commercial Union, Eng. Commercial Union, N. Y. Alliance, London	416 Calif.	5577	Gilbert, Frank L. Fidelity and Deposit Baltimore	208 Sans.
5582	Pope, T. Edward Pennsylvania Union, Phila.	436 Calif.	1384	Godwin, Thos. Preferred Accident, N. Y.	Mills Bldg
5136	Potter, Ed. E. Franklin, Phila. Williamsburg City, N. Y.	508 Calif.	5393	Gross, Carl C. Provident Savings, N. Y.	Spreckels Bldg
1724	Roff, H. L. Home, N. Y.	210 Sans.	766	Harmon, Jr., A. K. P. Connecticut Mutual Life, Hartford	Mills Bldg
5024	Shankland, T. C. Fire Association, Phila.	219 San.	Red 2331	Houghton, H. B. Etna Life (& accident) Conn.	Safe De- posit Bldg
5976	Smith, B. J. Connecticut, Hartford	411 Calif.	1684	Jacobs, W. A. Germania Life	Mills Bldg
Green 621	Speyer, Walter North German, Germany Hamburg Underwriters	225 Sans.	5296	Kilgarif & Beaver Pacific Mutual Life	506 Montg
5810	Syz & Co. Helvetia Swiss Baloise, Switzerland Swiss Marine Combined	301 Calif.	Brown 223	Landers, John Manhattan Life, N. Y.	240 Montg
1990	Tannhauser & Co. Transatlantic Marine	311 Calif.	Blk 2311	Leavitt, W. C. Union Mutual Life, Me.	419 Calif.
321	Thomas, W. P. New Zealand, Auckland	312 Calif.	1597	Loaiza, W. & Co. Union Casualty & Surety Co.	216 Sans.
5359	Tyson, Geo. H. German-American, N. Y. United States, N. Y. German Alliance, N. Y.	435 Calif.	1696	McLane, Chas. New York Life, N. Y.	Mills Bldg
5577	Voss, Conrad & Co. Thuringia, Germany Frankfort Marine Bavarian Lloyd Marine	204 Sans.	169	Mann & Wilson Hartford Steam Boiler Metropolitan Plate Glass	322 Calif.
113	Watt, Rolla V. Royal, Liverpool Queen, N. Y.	Royal Ins. Bldg.	538	Maxwell, J. D. New York Plate Glass U. S. Casualty	421 Calif.
San Francisco Life, Accident and Mis- cellaneous Agencies.			5921	Munsell, Jr., Jas. Mutual Benefit Life, N. J.	503 Calif.
Phone	General Agents and Companies.	Address.	1015	Okell, Chas J. & Co. Employers' Liability, London	401 Calif.
329	Borland, James H. National Surety Co.	Spreckels Bldg	Osborne, Jas. S. Phoenix Mutual Life	Spreckels Bldg.	
5017	Briggs, Clarence F. Standard Life and Accident	307 Calif.	750	Pacific Mutual Life, S. F.	506 Montg
195	Christensen, Chas. Lloyds Plate Glass, N. Y.	317 Calif.	621	Pacific Surety Co., S. F.	320 Montg
5683	Day, James B. Washington Life	Safe De- posit Bldg	699	Pardee, S. C. Fidelity & Casualty, N. Y.	Mutual Life Bldg
902	Delger & McCargar Bankers Life Association.	Spreckels Bldg	Davis 982	Parker, C. M. T. Massachusetts Mutual Life	214 Pine
5244	Dunphy, W. H. Home Life, N. Y.	Parrott Bldg	5136	Potter, Ed E. City Trust, S. D. & Surety	508 Calif.
1703	Field, H. K. New England Mutual Life	Mills Bldg	5011	Pratt, G. C. Union Central Life, Cincinnati	405 Montg
	Finnegan, John E. Travelers, Hartford	Mills Bldg	970	Shields, A. M. Equitable Life	Crock'r Bldg
			5161	Smith, Clarence M. Northwest'n Mut., Milwaukee	Phelan Bldg
			1739	Stolp, G. M. National Life, Vt.	Crock'r Bldg
			5577	Voss, Conrad & Co. Frankfort Acci. & Plate Glass	204 Sans.

THE COAST REVIEW.

Our Directory of Pacific Coast Field Men.

Attached Field Men.

Aachen & Munich.

A W Thornton, San Francisco
Alfred R Grim, San Francisco
Wm B Streeter, Portland, Oregon

Atlas Assurance.

E R Thompson, San Francisco
W W Cleveland, San Francisco
W W Alverson, San Francisco
C E Schlingheyde, Los Angeles
William Manning, Denver, Col.

Etna.

Ed C Morrison, San Francisco
Louis Mel, San Francisco
W L Gazzam, Seattle, Wash.
T D Boardman, Seattle, Wash.

Baggs & Storel Agency.

C W Smith, San Francisco

British America and Western.

H W Fores, San Francisco
W L W Miller, Denver, Colorado
A A Crandall, Portland, Oregon
H J Schaeffer, Spokane, Wash.
R H Magill, Oakland, California
Edw. Brown & Son, Gen'l Ag'ts.

Wm H Hill, San Francisco
E J Lowery, San Francisco
H H Brown, San Francisco
N B Whitley, Seattle, Washington
W H Gibbons, Salt Lake City, Utah

Buttler & Haldan Agency.

B C Dick, San Francisco

B B Broomell, Tacoma

Continental.

D W Graves, San Francisco
Walter J Wilson, Portland, Oregon
C R Tuttle, Denver, Colorado
A A Maloney, Los Angeles

Commercial Union and Alliance.

W R Heath, San Francisco
A T Von Etlinger, Portland, Or.
E J Jolly, Salt Lake City, Utah
W A Jackson, Los Angeles

Connecticut.

Guy Francis, San Francisco
E J Sharpley, Los Angeles
James S Reed, Portland, Oregon
Frank G Smith, Sacramento

Chas. Christensen's Agency.

James C Cunningham, Spokane
Ernest C Johnson, Los Angeles
S B Morse, Portland, Oregon

L. B. Edwards, Manager.

R De Lappe, San Francisco
Geo A Crux, Portland, Oregon
Chas A Gilbert, Los Angeles

Fireman's Fund.

R D Hunter, San Francisco
Wm M Kilger, San Francisco
L M Seaton, Los Angeles
F H McElhone, Dallas, Texas
J V Spears, Dallas, Texas
F G White, Denver, Colorado
A C Thornton, Portland, Oregon
R P Fahj, Sherlock Bldg., Port., Or.
G H Mendell, Jr., Salt Lake

Fire Association, Philadelphia.

T C Shankland, San Francisco
F M Avery, Denver, Colorado
F J Alex Mayer, Portland, Oregon
E J Louis, Los Angeles

German-American.

W F Chipman, San Francisco
Harry Benner, San Francisco
H M Grant, Portland, Oregon
Chas R Thompson, Portland, Or.
D C Donaldson, Los Angeles

Hamburg-Bremen.

Harry C Boyd, San Francisco

Hartford.

J J Agard, San Francisco
John M Holmes, San Francisco
Geo W Conroy, San Francisco
Thomas J Conroy, Portland, Or.
J J Dennis, Salt Lake City

Home Mutual.

W B Westlake, San Francisco
E E Eitel, San Francisco
R P Fahj, Portland, Oregon
A W Whitmer, Portland, Oregon
F G White, Denver, Colorado
Chas C Echlin, San Francisco
C P Lyndall, Los Angeles

Home, New York.

Harry L Roff, San Francisco
A G Ridling, San Francisco
Junius Young, Salt Lake City
A F Gartner, Butte, Montana
J D Coleman, Portland, Oregon
John H Burgard, Portland, Oregon
G C Holloway, Los Angeles

Imperial and Lion.

Amos F. Sewell, San Francisco
W A Matthews, Salt Lake
W F Zwick, Seattle
Toll Thompson, Portland, Oregon
Maj W H Bonsall, Los Angeles

Ins. Co. of North America.

J K Hamilton, San Francisco
C O Scott, San Francisco
M H Merrill, Portland, Oregon
A E Bailey, Seattle, Washington

Lancashire.

Walter M Speyer, San Francisco
D W Pierce, Los Angeles
F M Branch, Portland, Oregon
Liverpool & London & Globe.

R G Brush, San Francisco
Edw G Sprowl, Tacoma, Wash.
John W Gunn, Salem, Oregon

London & Lancashire.

W B Hopkins, San Francisco
Burns Macdonald, San Francisco
J K Urmoston, Los Angeles
Sam B Stoy, Cham. Com. Port., Or.
W S Berdan, Jr., Cham. Com., Port.

London and Northern.

Frank L Hunter, San Francisco
F C H Robins, San Francisco

Madagburg.

Leslie Bates, San Francisco

Merchants, N. J.

M H Thomson, San Francisco

Milwaukee, Mechanics.

C H Ward, San Francisco
Gilbert E Verton, Los Angeles
G Alston Hole, Seattle

National and Springfield.

Leslie H Lord, San Francisco
J N Waters, San Francisco
Hiram H Lee, Denver, Colorado
John C Dornin, Tacoma, Wash.
P E Gerald, Portland, Oregon

New Zealand.

F L Culin, San Francisco
Frank E Walsh, Los Angeles
H E Parkhurst, Portland, Oregon
Niagara.

Frank N Rust, San Francisco

North British and Mercantile.

Wm H Bagley, San Francisco
Edward Niles, San Francisco
E L Thompson, San Francisco

North German.

J H Ankele, San Francisco

Norwich Union.

J L Fuller, San Francisco
R H DeLafield, San Francisco
F C Stanford, San Francisco
A W Glesy, Salem, Oregon

Palatine.

Thomas J Duffy, San Francisco
Henry T Fennel, Los Angeles
Edward O Hughes, Denver, Colo
F J H Manning, Portland, Oregon
Henry C Rodgers, San Francisco

Pennsylvania Fire.

Homer A Craig, San Francisco
Chester Deering, San Francisco
Volney Howard, San Francisco
Paul C Bates, San Francisco
R W Osborn, San Francisco
J H Clinkscapes, Los Angeles

Philadelphia Underwriters.

Geo E Faw, San Francisco
F M Avery, Denver, Colorado
F J Alex Mayer, Portland, Oregon
E J Louis, Los Angeles

Phoenix, Hartford.

Thos H Williams, San Francisco
R Gallegos, Jr, San Francisco
J W Warner, San Francisco
Chas D Morgan, Los Angeles
Lucian W Knight, Spokane, Wash.
W C Calder, Portland, Oregon

Prussian National.

John A Prinsen, San Francisco

Edward E. Potter, Manager.

T M Swynce, San Francisco
Charles A Layng

Royal and Queen.

John T Fogarty, San Francisco
W W Hoagland, San Francisco
Wm Marls, San Francisco
F M Gilcrest, Los Angeles
H R Burke, Portland, Oregon
J O Thomas, Portland, Oregon

Royal Exchange Assurance.

H C Ramsay, San Francisco
John J Clayton, San Francisco
J E Hendry, San Francisco
John T Beales, San Francisco
R M Thompson, Los Angeles

Scottish Union & National.

T J A Tiedemann, Portland, Or.
Fred Stover, Los Angeles
Chas F Wilson, Denver, Colorado
W J Pascoe, San Francisco

Sun and Orient.

Leslie A Wright, San Francisco
J H Morrow, San Francisco
J B Walden, Jr., San Francisco
Warren Campbell, Los Angeles
A R D Patterson, Portland, Oregon

Syz & Co.

H C Kirkpatrick, San Francisco
Thuringia.
R B Eriand, San Francisco
E L Bosqui, San Francisco
C B Sloan, Los Angeles
L F Lamping, Seattle, Washington

Transatlantic.

Tom R Roberts, San Francisco

Union Assurance.

Harry H Smith, San Francisco
Edwin B De Golia, San Francisco

Westchester.

H C Keller, San Francisco

Unattached Field Men.

A R Gurrey, San Francisco
E P Farnsworth, San Francisco
R H Nauntun, San Francisco
J G Lavery, San Francisco
Calvert Meade, San Francis
A A Andre, San Francisco
Adolph Wenzelburger, San Fran'co
W H Faust, Los Angeles
D W McIntosh, Los Angeles
William L Chalmers, Portland, Or.
B D Smalley, Seattle, Washington
H R Hanna, Los Angeles

A person who is an agent of a particular insurance company cannot be made individually liable to a property owner for damages arising from the breach of a contract, either general or special, to which the company itself is not a party, and which is made "as agent" by the person first referred to, whereby he undertakes to keep the property of the other covered by insurance in that company, or to re-

new, upon the expiration thereof, a particular policy already in existence, the party seeking the insurance undertaking on his part to pay the premiums whenever bills for the same are presented.—*Ramspeck v. Pattillo*, 30 S. E. 962.

Change of Policy.

Insurance policies had been held by the brokers of insured for the purpose of surrendering them, and having the rate reduced, as soon as contemplated changes were made on the premises. They did so, and secured a "binding slip" from the insurer's agents, embodying a memorandum of the new insurance, and binding from date; and they consented that the policy be changed from an 80 to a 100 per cent. co-insurance clause. The property was next day burned, and losses adjusted and paid on the basis of the policy as changed. The insured signed a proof of loss referring to the policy in question as one with a 100 per cent. co-insurance clause, and there was evidence that it was called to his attention on another list. Insured denied that the brokers had authority to consent to the change, or that he had knowledge thereof, and claimed it was made fraudulently after the loss had fixed the liability. Held, that by his acts he had ratified the change.—*Belt v. American Cent. Ins. Co.*, 53 N. Y. S. 316, 29 App. Div. 546.

Covering Realty and Personalty.

Under Act March 29, 1889 (providing that, where a subsequent insurance policy on real property has a larger agreed valuation of the property insured than a prior one, all insurance shall be void), where the policy of insurance covers both real and personal property, and fixes the amount to be paid for each specifically in case of loss, the policy is valid as to the amount insured upon the personal property, inasmuch as the statute is a quasi penal one, and expressly confines the forfeiture to the realty.—*Thurber v. Royal Ins. Co.*, 40 A. 1111.

Cancellation.

An insurance broker was employed to procure insurance from the authorized agents of an insurance company, and

under such employment obtained a policy, but with notice that the same was subject to the approval of the insurance company. He retained the policy, and later, when directed to return the policy, as the company had declined the risk, he obeyed. Held, that the broker was the agent of the owner, and his act in returning the policy without insisting on five days' notice of cancellation was within his power.

The mailing of an insurance policy with the obvious purpose of its cancellation, and the receipt thereof by the agent of the insurance company, constitute a cancellation.—*Ikeller v. Hartford Fire Ins. Co.*, 53 N. Y. S. 323, 24 Misc. Rep. 136.

Forfeiture.

Under Act March 29, 1889 (providing that every policy on real property shall have indorsed across its face an agreed valuation of the insured property, and that, "if any owner shall effect any subsequent insurance upon any larger value than so agreed, all insurance, as well that then existing as that subsequently obtained, shall become void"), where the agreed valuation on real property, indorsed on the policy, in a subsequent policy of insurance, was stated at a larger amount than that in a prior one on the same property, the insurance became void.—*Thurber v. Royal Ins. Co.*, 40 A. 1111.

Attachment.

The levy of an attachment does not divest the debtor of the title to the property, within the provisions of an insurance policy.

The provision of an insurance policy that "change of occupants, without increase of hazard, shall not affect the policy," applies to the personal property covered by the policy.

Where a levy under execution is subordinate to an attachment levy, and is contingent on a surplus arising after satisfaction of the attachment, the title of the property levied on does not pass to the officer, within the provisions of an insurance policy.

Where the situation of a stock of goods after a levy was identical with that prior

thereto, and a fire occurred after the time for closing stores, there was no increase in hazard which would vitiate a policy containing a stipulation that a change of occupants, with increase of hazard, would avoid it.—*Herman v. Katz*, 47 S. W. 86.

Fall of Building.

A policy on goods in a warehouse contained a clause which declared that "if a building or any part thereof fall, except as the result of fire, all insurance by this policy on such building or its contents shall immediately cease." The building fell, and the goods were destroyed by fire; but whether the fall was caused by the fire, or by a gale of wind, was the matter in issue. Plaintiff requested a charge that, if the building or goods were on fire before the building fell, the company was liable, even though it would not have fallen but for the wind. Held, that the court properly rejected this request, and correctly charged that, if the fall was caused by the fire, the company was liable, but, if it resulted from some other cause, it was not.—*Fred J. Kiesel & Co. v. Sun Ins. Office*, 88 F. 243.

Subrogation.

When an insurance company has paid a loss under a valid and binding policy, it can, in an action against the person who negligently destroyed such property, be subrogated to the rights of the insured in the judgment rendered against said person, but only in the amount which it has paid to the insured.—*Atchinson, T. & S. F. R. Co. v. Neet*, 54 P. 134.

Party Wall.

In an action against an insurance company on a policy, judgment was rendered against the company for the whole value of a wall alleged by the company to be a party wall. The wall was rebuilt by plaintiff, and subsequently the adjoining owner erected a building on his lot, using the wall as a party wall. Held, that the insurance company, to the extent of one-half the value of the old wall, was subrogated to plaintiff's right against the adjoining owner for one-half the value of

the new wall.—*Monteleone v. Harding*, 23 So. 990.

Co-insurance and Statute.

Stipulation that should the insured fail to comply with a covenant to maintain a total insurance of not less than 75 per cent. of the total cash value thereof, he should be deemed a co-insurer to the extent of the deficiency, and bear his proportion of any loss, is not in contravention of section 2110 of the civil code, which provides that all insurance companies shall pay the full amount of loss sustained, provided said amount does not exceed the amount expressed in the policy, and which states that all stipulations to the contrary shall be null and void.—*Fireman's Fund v. Peckor, Ga.*

Notes.

There can be no recovery on a policy issued by an insurance company, but not delivered to the assured.—*Ikeller v. Hartford Fire Ins. Co.*, 53 N. Y. S. 323, 24 Misc. Rep. 136.

While a policy which is ambiguous or of doubtful meaning should be construed most strongly against the insurer, yet, if its terms are clear and unambiguous, they are to be taken in their plain, ordinary sense, and no construction is necessary.—*Fred J. Kiesel & Co. v. Sun Ins. Office*, 88 F. 243.

Marine.

The subject of a fire insurance risk was a vessel laid up in a harbor several hundred miles from the place where the insurance was effected. She was so detained by reason of an accident, in which it had been necessary to jettison several hundred barrels of kerosene, and pour over the sides of the vessel a large number of barrels of lubricating oil, thus greatly increasing the risk from fire. Held, that insurance effected without informing the underwriters of the vessel's condition was void.—*Clarkson v. Western Assur. Co.*, 53 N. Y. S. 508.

Parol Evidence.

A memorandum clause in a marine policy, for an extra premium, agreed to cover

"extraordinary leakage, loss to be paid by the company if amounting to 3% of the amount insured." Held, that this language covered loss by such leakage, however caused, and could not be varied by parol evidence of an "understanding" with the broker through whom the insurance was effected, not made known to the assured, that no claim would be made for leakage unless caused by sea perils.—*Indemnity Mut. Marine Assur. Co. of London v. United Oil Co.*, 88 F. 315.

Life.

A policy of life insurance providing that on each lapse a sum equal in amount to the reserve value of the policy lapsing should become a liability of the company, which it must pay to the surviving policyholders, creates a pool of definite sums, of which the company is stakeholder, under an agreement to divide the sums among the winners, who are to be determined by the chances of life, and hence the policy is void, as being a gambling contract. *Fuller v. Metropolitan Life Ins. Co.*, 41 A 4.

Incontestability.

The insurer is bound by a provision in the policy that "this policy is incontestable after three years from its date, provided three full yearly premiums have been made upon it, except that error in the age of the insured is open to adjustment." and is precluded from setting up a defense based upon misrepresentations or warranties made by the insured in his application, whether fraudulent or otherwise.—*Massachusetts Ben. Life Ass'n v. Robinson*, 30 S. E. 918.

Peculiar Contract.

A life policy provided for payment of its amount at issuance. Assured was to pay an agreed monthly premium for a fixed period, secured by mortgage. His death was to extinguish the mortgage, and failure to pay the premium gave insurer the option to collect either the premiums or the amount originally advanced, less the surrender value of the policy. Held, that it was not unenforceable, as an unconscionable agreement.—

United Security Life Insurance & Trust Co. v. Ritchey, 40 A. 978, 187 Pa. St. 173, 42 W. N. C. 491.

Surplus Division.

It was stipulated in a term life and endowment policy, issued by a mutual insurance company on the reserve dividend plan, that the dividend surplus in which all policies issued in any one year should be entitled to share should be apportioned and paid to the surviving and persistent policyholders at the end of 10 years, and not until then; and also that the right to an equitable surrender value during the dividend period was waived by insured, who agreed that in case of a lapse it should be apportioned among the surviving and persistent policyholders. A book issued by the company in advertising and explaining such policies stated that the company guarantees "an equitable share in the surplus and earnings," to be divided "by way of a cash dividend at the end of each year"; that the reserve policyholders forming a class, stipulate among themselves that all dividends allowed on their policies for 10 years shall be invested by the company, and divided at the close of that period among living members; that, if "any member fails to keep his policy in force for the 10 years, he shall forfeit his reserve for the benefit of his class, which sum shall be kept at interest by the company, and divided in like manner"; and that it follows that "the dividend to the existing members at the close of the class must be considerably larger than the dividend accumulating in the ordinary way." The reserve dividend fund was spoken of as "profits" and "surplus." Held, that the policies of each year constituted a class, and that the premiums paid during the 10 years should be improved at compound interest, and applied to the payment of costs of insurance and expenses of management, and at the end of ten years the surplus, if any, after providing for the future cost of insurance on continuing policies in the class, should be apportioned by way of cash dividends to the policies then in force. Hence the company was not bound

to credit annually the usual dividends and the total reserves on lapsed policies, and keep such sum at interest, and not resort to it for losses, death claims, or expenses, and divide it, with accumulations, at the end of the reserve dividend period among the class survivors.—Fuller v. Metropolitan Life Ins. Co., 41 A. 4.

Premium Note.

The giving of a note by the insured for a premium, and the acceptance of such note by the insurer as payment for the premium, is equivalent to cash payment; and default in the payment of such note at maturity will not work a forfeiture of the policy, unless it was so expressly stipulated by the parties at the time such note was given.—Massachusetts Ben. Life Ass'n v. Robinson, 30 S. E. 918.

Policy in Wife's Favor.

A policy of life insurance taken out by a husband in favor of his wife cannot subsequently be assigned by him to her prejudice.

And it makes no difference that he secured from her what purports to be an assignment, without consideration, of the policy to him, before he assigned it to his creditor.—Lambert v. Penn. Mut. Life Ins. Co., 24 So. 16; L'Hote v. Same, Id.

Acceptance of Overdue Premiums.

By knowingly permitting its agents to accept for a considerable period overdue premiums without taking health certificates, the company grants them authority so to do, and cannot avoid the effect thereof by showing that its printed instructions did not authorize the practice.

Printed instructions on the back of premium receipts, to the effect that agents might receive overdue premiums within 60 days, on satisfactory evidence and guaranty that the insured is in good health, held to be a mere direction by the company to its agents, so that the acceptance of such a receipt by insured did not imply a guaranty of good health.

Where, in violation of the rules of the company, it is the practice of its agents to accept overdue premiums without requiring a guaranty that the insured is in

good health, and this course of business is shown to be such that a reasonably prudent man, acting in the capacity of an executive officer, ought to have known of it, this is sufficient to warrant a finding that the executive officer of the company did in fact have knowledge of the practice.—Aetna Life Ins. Co. v. Smith, 88 F. 440.

Error.

The answer to the question, in an application for insurance, whether insured was suffering from consumption, being made a warranty, and the question being material, and the disease being one of the presence of which insured could not have been ignorant, the qualification of the point that if, when the policy was issued, insured was suffering from consumption, which afterwards contributed to her death, the policy was void, by the condition that insured should have known and intentionally concealed the fact, is error. March v. Metropolitan Life Ins. Co., 40 A. 1100, 186 Pa. St. 629.

Directors' Authority.

The directors of a mutual life insurance company which has property which it holds as a trust fund for security of its certificate holders has not power to transfer its franchises, property, and control to another such association, the consideration to go to such of its members as dissolve their connection with it, and become members of the other.—Temperance Mut. Ben. Ass'n v. Home Friendly Soc., 40 A. 1100, 187 Pa. St. 38, 42 W. N. C. 451.

Accident.

An exception in an accident policy of "intentional injuries inflicted by the insured or any other person" does not include death from being shot by an insane person without capacity to form an intention to inflict such injuries, or to understand the nature and quality of his act.—Berger v. Pacific Mut. Life Ins. Co., 88 F. 241.

Gas Inhalation.

A clause declaring that the insurance does not cover injuries or death "result-

ing from poison or anything accidentally or otherwise taken, administered, absorbed, or inhaled," does not exempt the insurer from liability for death caused by involuntary and unconscious inhalation of illuminating gas, accidentally taken while asleep.—*Lowenstein v. Fidelity & Casualty Co.*, 88 F. 474.

Hernia.

An accident policy, providing that the insurance shall not cover "injuries or death resulting from, or caused directly or indirectly, wholly or in part, by disease, or bodily infirmity, hernia, * * * rupture," etc., does not except an injury caused by external violence, and resulting in hernia.

Where a blacksmith, who was a hale and hearty man, and accustomed to the use of a sledge hammer, immediately after striking a slanting blow with a sledge hammer was seized with a pain in his abdomen, and it was discovered that he had sustained a rupture, which injury caused his death, the question whether the injury was covered by a policy insuring him against bodily injury effected through "external, violent, and accidental means" was for the jury.—*Atlanta Acc. Ass'n v. Alexander*, 30 S. E. 939.

Construction.

An agreement to pay a certain sum for the loss of "one entire hand and one entire foot" is an agreement to pay such sum for the loss of both limbs, not of either one.—*Gentry v. Standard Life & Accident Ins. Co.*, 5 Ohio N. P. 331.

Employers' Liability.

Civ. Code Cal., sec. 2777, which declares that one who indemnifies another "against an act to be done by the latter is liable jointly with the person indemnified, and separately to every person injured by such act," is not limited to cases where the indemnitee binds himself, or is bound by law, to do some act which may result in damage to another, or to cases in which the indemnitor is held to be a joint trespasser or tortfeasor with the in-

demnitee; but it includes all cases of indemnity against future contingencies. It therefore makes a policy of insurance against liability for personal injuries of employees inure directly to the benefit of an employe injured, and allows him to sue his employer and the insurance company jointly, if he so elects.

A receiver of an insolvent corporation, appointed in proceedings supplemental to execution, who has in his possession a policy insuring the corporation against liability to its employes for personal injuries, is a necessary party to an action brought by an injured employe against the corporation and the insurance company jointly, to enforce their joint and several liability to him.

Where defendants' liability is joint as well as several, and the plaintiff elects to sue them jointly, this determines the character of the suit: and neither defendant can treat it as several against him, so as to authorize him to remove it to the federal court.—*Moore v. Los Angeles Iron and Steel Co.* et al. U. S. C. C., S. D. Cal., 89 F. R. 73.

FIRE.

Winter's Terrors.

Winter everywhere in this country, except on this summerland Coast, has terrors for fire underwriters. The cold weather doubles and trebles the number of fires in stoves and fire-places. Defects in flues are developed in the winter months. The protective water supply is often deficient. The water pipes freeze, and the firemen are handicapped by ice and blizzards. It is in the winter season, too, that state and school and municipal property is most likely to burn. Carelessness prevails in the management of public property, whereas, owing to jobbery in construction and the extravagant use of fuel, extra care should be exercised. Losses generally in the winter season, in the East, are more numerous and average higher, than in the summer season. Not only do heating-fires start more blazes, but owing to the severity of the weather few people are on the streets at night and the fire gains greater headway before discovery.

Lists of Coast Agencies.

This month we print two more town lists of agents and companies represented. We shall take pleasure in printing all those sent in by our readers who will take the trouble to compile them. As these lists are serviceable to both locals and offices, an index will be kept standing for a brief period, should the number of lists seem to warrant it. Send the names in, and be very careful in the penning thereof.

List of Agents and Companies in Salt Lake City, Utah.

H. J. Grant & Co.—German-American, Hartford, Home of Utah, Pennsylvania, Teutonia, Williamsburg City, North British & Mercantile, Northern Assurance.

McCornick, Cooke & Co.—Greenwich, London & Lancashire, North German, Svea, Union Assurance.

Anderson Insurance Agency—Scottish Union & National, London Assurance, Hamburg-Bremen, Ætna of Hartford, Fireman's Fund, Alliance, Norwich Union, Transatlantic, Glens Falls, Niagara.

W. E. Smedley & Co.—Commercial Union, Lancashire, Lion, Manchester, Phoenix of London, Providence Washington, Imperial, Manhattan.

Young & Fowler—Magdeburg, Palatine, Prussian National.

E. W. Wilson & Co.—American Central, Queen, Connecticut, New York Underwriters, Ins. Co. of North America.

Caine & Hooper Co.—Fire Association of Phila., Liverpool & London & Globe.

D. F. Walker, Jr.—Home Mutual, Baloise, Milwaukee Mechanics.

Union Insurance Agency—National, Springfield.

P. J. Conway—Atlas, St. Paul F. & M., American of Phila.

R. B. Whittemore & Co.—Phoenix of Brooklyn, Traders, Merchants of N. J., Philadelphia Underwriters.

T. R. Jones—Helvetia Swiss, Commercial Union of N. Y., Law Union & Crown.

H. W. Lawrence—Royal of Liverpool.

M. B. Sowles—Westchester.

W. S. Ferris & Co.—National of Hartford, Springfield.

Young & Young—Thuringia, Thuringia American.

W. S. Giesy—Continental, Fort Wayne, Franklin.

Ensign & Elder—Northwestern National, Royal Exchange, Orient.

Frank E. McGurkin—British America, United States, American of Newark, Caledonian.

Eugene M. Cannon—Aachen & Munich, Hanover.

Simon T. Pearson—Home of N. Y.

A. A. Robertson & Co.—Phoenix of Hartford.

H. B. Windsor—Franklin, Royal Exchange.

James K. Shaw—Phoenix of Hartford.

Hudson Sons & Co.—English American Underwriters.

J. R. Sparring—Home of Utah, farm.

Jas. Rogers & Co.—Sun of London, Home of N. Y.

Miller & Veile—British America.

R. B. Kenyon—Western of Toronto.

Elmer E. Darling—German Alliance.

List of Roseburg, Or., Agencies.

Geo. Carpy—Aachen & Munich, American Central.

Herman Marks—Magdeburg & Caledonian.

J. H. Shupe—Scottish Union & National.

I. Caro—Lion.

H. W. Miller—Royal.

Byron & Long—Orient.

J. Josephson—London Assurance.

J. D. Hamilton—Fireman's Fund and Atlas.

Hamilton & Micelli—Home Mutual.

W. H. Richardson—Home of N. Y.

J. W. Wright—N. Y. Underwriters, Manchester, Fire Association.

D. S. K. Buich—German Alliance.

Abbie Abraham—Niagara.

Sol Abraham—National.

T. R. Sheridan—Springfield.

H. L. Marsters—Phoenix of London.

D. S. K. West—Continental and Thuringia.

E. L. Bashford—Pennsylvania.

F. G. Lenoard—Pennsylvania.

John Givens—Pennsylvania.

C. B. Cannon—Hamburg-Bremen.

J. H. Buchanan—McMinnville Fire Relief.

Dexter Rice—New Zealand and Liverpool & London & Globe.

London & Long—Norwich Union, Imperial, St. Paul, Ins. Co. of North America, Lancashire, Continental, German American, Connecticut, Northern Assurance, Royal Exchange, American Fire, London & Lancashire, North British & Mercantile, Queen, Phoenix of Hartford, Westchester.

Lee London—Norwich Union and American Fire.

Queen Insurance Company of America.

With nearly five millions of assets, the Queen, of New York, takes rank among the large American fire offices. Surplus funds and premium income, also large, confirm the company's right to this title. The Queen is well established, pays dividends regularly, and adds to its assets and surplus every year. Its strength is attested by the possession of large surplus funds. More than half its total of assets is surplus as regards policyholders, while the net surplus over capital and all liabilities exceeds twenty-one hundred thousand. The Coast department operates successfully, with increasing business, under the management of Rolla V. Watt.

Royal Insurance Company.

The annual statement of the Royal Insurance Company of Great Britain gives the following figures converted into American dollars:

Fire premiums net	\$10,035,060
Losses, net	5,511,420
Commissions and expenses . .	3,356,915
Surplus on year's fire underwriting	1,166,715

Gross assets \$48,432,910

The liabilities of the life department leave over \$25,000,000 clear assets for the security of all obligations of the fire department, of which some \$17,000,000 is surplus as regards policyholders. The position of the Royal is unique in the underwriting world. It has the largest amount of fire assets and the largest fire premium income.

The United States branch has over \$7,400,000 assets, of which sum \$2,368,000 is surplus. The annual American premium income is in the neighborhood of \$5,000,000. The Pacific Coast department, under the management of Rolla V. Watt, occupies a foremost position in volume of business, the Coast premiums in the last year being \$267,000. The Royal and Queen Coast premiums combined were \$396,000, which is the largest of any department exclusive of local companies.

THE ONLY WAY to kill off all the insur-

ance wild-cats is to have a national insurance department.

FIRE NOTES.

The Frankfort-American and Thuringia-American are entering a number of states.

A Pennsylvania incendiary has confessed that he set eighteen places on fire in eighteen months.

The companies refused to discipline their Pekin agent, and rates in that little Illinois city have been suspended by the Union.

The Agricultural has just undergone an examination by the New York authorities. All the company's figures have been verified.

MUTUAL FAILURES.—The Bankers and Merchants Mutual of Liberty, Mo., has assigned. Beware of fire mutuals. The Cornwall Mutual of Lebanon, Pa., has failed.

The New England Insurance Exchange executive committee recommends rates subject to a reduction if the insured agrees to maintain insurance equal to 50 or more per cent. of the value of the property.

Hereafter, Michigan agents of the Home will report to the general office in New York. Agents in that state are requested to withdraw from any association where rules provide for non-intercourse with other companies.

The London Assurance, resigning from the Western Union, states its general position to be as follows: that it will not remain a member of any association which does not include in its membership all the more important companies.

The recent fire in the national capital at Washington was caused by the explosion of gases in the basement—and not in the hall of the house of representatives. Leaking meter, deficient ventilation, foul air, and the engine-room, formed the combination.

The re-insurance clerk in a New York office was something of an underwriter himself. He picked out "the winners," as he thought, canceled the reinsurance and pocketed the return premium. So excellent was his judgment that several years passed before he was caught. Such talent should find honest employment at a high salary.

PROPHECY.—The recent rate-war in New York and the present troubles in the Western Union suggest the following paraphrased quo-

tation from ancient history: Policyus, who lived in the time of Ciso Americanus, the younger, had the gravest apprehensions of the continual encroachments made by the common disturbers in fire underwriting; and being a person of great abilities and much sagacity; from observing the corruptions, which, he says, had already entered into the business, did very nearly foretell what would be the issue of them. His words are very remarkable, and with little addition may be rendered to this purpose: "That those abuses and corruptions, which in time destroy a compact, are sown along with the very seeds of it, and both grow up together; and that as rust eats away iron, and worms devour wood, and both are a sort of plagues born and bred along with the substance they destroy; so with every form and scheme of compact that underwriters can invent, some vice or corruption creeps in with the very institution, which grows up along with, and at last destroys it."

FIRE PROTECTION.

Edward Atkinson condemns acetylene.

Pittsburg is to have a fire-alarm box in every school-house.

Eight companies bid on an order for 4,000 feet of new hose for Seattle.

Fire Chief Sullivan of San Francisco complains of the smallness of mains and the scarcity of hydrants in certain districts.

The Tacoma fire department has been reduced about a third in number of men, and two steamers and two chemicals have been retired from service. Have the lessons of Seattle and Spokane been so soon forgotten?

LOS ANGELES.—The fire commissioners have recommended that the city council authorize the purchase of two new chemical engines, two new hook and ladder trucks and two new combination hose carts and chemical engines.

The Seattle fire department is provided with a patented door-opener. It is a ram operated by one man, and is alleged to be able to batter down any door; but at the Thanksgiving Day fire a bolted door was so obstinate that several firemen and the machine and volleys of oaths and other aid was required before ingress was gained.

BALDWIN FIRE.—The fire department of San Francisco acquitted itself admirably in handling the Baldwin hotel fire. When it is remembered that this building was six stories

high and extended from Ellis to Market street along Powell, with eight stores and a theatre entrance on Market, and a big theatre within its walls, and was built twenty years ago, the task which confronted the department will be better appreciated. The flames were restricted to the hotel premises. The contiguous building, the Baldwin Annex, was damaged only by smoke and water. The underwriters' fire patrol did valiant service also, and was on duty five hours and spread many covers over goods.

A Springfield man tells the following story: The fire hose company of Springfield was very proud of its well-equipped fire apparatus, and, desiring to procure some extra supplies, subscription papers were sent around. The small boys, myself among the number, were given a share in the work. I went up to some dusty rooms over a grocery and entered the law office of Lincoln. He asked me numberless questions, and I had to tell him all I knew of this fire brigade and its members. Then he said: "Well, I'll tell you what I'll do. I'll go home to supper—Mrs. Lincoln is generally good-natured after supper—and then I'll tell her I've been thinking of giving \$50 to the brigade, and she'll say: 'Abe, will you never have any sense? Twenty dollars is quite enough.' So to-morrow, my boy, you come around and get your \$20."

Tucson Agents.

Underwood & Franklin—Palatine of Manchester England, National of Hartford, Conn., London & Lancashire of England, Fireman's Fund of Cal., Phoenix of Hartford, Conn., Home of New York, Insurance Co. of North America, Pa., Scottish Union & National, Hamburg-Bremen, Hamburg, Pennsylvania of Pa., German American of New York, New Zealand, Union of London, Ætna of Hartford. Liverpool & London & Globe, Commercial Union of London, Hartford of Hartford, Norwich Union, Royal of London, North British & Mercantile, Phoenix of London, Svea of Gottenburg, Springfield of Springfield, Mass., Lion of London.

Pima Investment Co.—Thuringia, of Erfurt, Germany, Manchester, of England, Fire Association of Pa., Sun, of London, Orient, of Hartford.

R. G. Brady—Home Mutual, of Cal., Royal Exchange, of London, Connecticut, of Conn., Alliance, of London.

W. W. Williams—Imperial, of London, Atlas, of London, British America.

Northern Assurance Company.

The United States department of the Northern Assurance Co. has just purchased \$500,000 in government bonds, and deposited them with the American trustees. The bonds were paid for by the home office, and their value will increase the assets and surplus of the United States department of the Northern to the amount of their market value.

The Northern has some nine and a half millions of fire assets, of which amount more than seven-ninths is surplus as regards policyholders, and nearly six millions is net surplus over the million and a half of capital and all liabilities. The annual income is considerably in excess of four millions. The company is very prosperous, and for a number of consecutive years has added to its assets and surplus funds. Both the United States and the Coast departments are in a flourishing state. Geo. F. Grant, the well known underwriter, is manager for the Northern in this field.

LIFE.

The Home Life Refunds War Premiums.

The Home Life Insurance Company of New York has adopted a resolution providing that the extra premiums received prior to October 1 be refunded to the policyholders who paid them. The experience of the company in the recent war justifies this action.

Small Life Policies in the Majority.

It is sometimes said of regular or old-line life insurance, by way of reproach, that its solicitors cater to the rich only, and neglect the ordinary citizen of small income. We have in the past, by way of refutation of this erroneous charge, published statistics showing that the average life policy in old-line companies is for about \$3,000 only. Further proof we find in an examination of the American death claims paid by the MUTUAL LIFE in the four weeks ending November 12. Of the 226 American death claims, 151 were for \$3,000 or less. Expressed in percentages,

70 per 100 death claims of American policyholders were in low sums of \$3,000 and under, such as any poor man or "ordinary citizen" can afford to keep in force. It is evident, from this, that the regular life insurance company and its solicitor meet the needs and limitations of the poor man as well as the well-to-do.

The World's Life Insurance in 1897.

(From the Insurance Spectator of London.)

Whilst presenting to our readers, on similar lines as in former years, a record of the world's life insurance of 1897, and a comparison of the business done and progress achieved by our own offices with those of six other countries, we consider it necessary to draw attention to the fact that figures compiled in Germany form the basis of the following tables, although they differ somewhat in various respects from English statistics. The object of the minute, and, on the whole, conscientious work, is in the main to glorify the German companies and their *modus operandi*, at the expense of their foreign competitors; but the information is, nevertheless, both valuable and instructive. Considering how much Teutonic merchants and manufacturers are invading neutral markets, and how keenly they compete well-nigh everywhere with the rest of the world, it is, however, somewhat surprising to find that not a single life office has so far ventured upon an incursion into the United Kingdom. Of the 42 German companies, 22 confine themselves to the Fatherland, whereas the remaining 20 have agencies in Holland and Denmark, 11 each; Austria, 9; Scandinavia, 8; Switzerland, 7; Belgium, 5; Finland, 4; and Italy and Hungary, 1 each. On the other hand there is little doubt that British life offices are doing fairly well in Germany, as otherwise it would not be likely that 26 English companies would be represented in the Empire.

Five American, two Belgian, three Dutch, three French, ten Austrian, two Swedish, and three Swiss companies are also in the field, so that altogether 54 foreign companies are at work in the

Fatherland. In the face of this somewhat excessive competition, the steady progress of the German offices remains a remarkable feature.

NEW BUSINESS IN 1897.

Companies.	No.	Policies Issued	Sum Assured.
English	80	173,666	£ 50,756,901
German	42	143,970	27,876,352
Austrian	16	96,103	11,809,941
Swiss	6	7,872	1,460,940
French	17	28,336	13,542,489
American	35	393,064	174,433,078
Scandinavian	16	22,337	3,887,699
Total		865,348	£283,767,400

Companies.	Average Sum of Policy.	Total Insurance during Year.
English	£292	£ 593,495,992
German	193	306,861,491
Austrian	123	87,414,600
Swiss	185	16,277,893
French	478	153,532,351
American	444	1,234,214,623
Scandinavian	174	31,845,052
Total	£327	£2,423,642,002

As these figures include the German industrial policies, but exclude the English [and American—Ed. C. R.] ones of the same class, our grand total should be, not 593½ millions as above, but say 750 million pounds or just 150 per cent. larger than the aggregate German insurance. The average amount per policy is naturally highest in France, because the French middle-classes prefer to invest their savings in annuities, and secure an increased income during lifetime at the expense of the following generation, and life insurance is thus almost entirely monopolized by the wealthy; but the British average ranks next amongst European companies, and is 51 per cent. higher than the German. As to our new business—without the large industrial amount—it exceeds the German figure by 83 per cent., and is nearly four times as large as the French. A comparison with the American offices further shows that their progress has not been impeded by the opposition they have met with in various countries. for they wrote in 1896 new policies for £150,152,253, against £174,433,078 in 1897.

EXTINGUISHED POLICIES DURING 1897.

Companies.	Maturity at Death.	Maturity during Life.
English	£11,213,011	£1,978,917
German	3,611,806	1,129,853
Austrian	859,407	692,111
Swiss	233,454	48,410
French	1,996,358	1,485,278
American	14,238,832	2,677,749
Scandinavian	334,653	14,096
Total	£32,487,521	£8,029,449

Companies.	Purchase.	Non-payment of Premiums.
English	£ 6,853,950	£ 11,100,700
German	2,905,990	4,042,275
Austrian	906,842	4,940,877
Swiss	124,875	290,413
French	1,523,361	6,567,133
American	27,934,723	72,521,691
Scandinavian	221,380	1,055,034
Total	£40,171,121	£160,518,123

The policies cancelled by non-payment of premiums [including not taken.—Ed. C. R.] thus represent a considerably higher figure than the amounts of matured and re-purchased policies. The percentage, compared with the insured capital, was 2.55 per cent. below the average in the case of the English offices, and even more moderate as to the German companies, but, on the other hand, very high with the American, French, and Austrian companies; an indication that the business of the British and German life associations had been transacted with more care and less pressure than elsewhere. As our companies are by far the oldest, it is, of course, natural that the death-roll must be large, although the actual amount of matured policies is much below expectations.

GAIN OF INSURANCE IN FORCE.

Companies.	Net Increase of Policies in Force.
English	£ 19,705,877
German	16,436,396
Austrian	4,408,703
Swiss	763,282
French	1,970,357
American	57,060,083
Scandinavian	2,262,035
Total	£102,606,733

ANNUITY BUSINESS.

Companies.	Outstanding Annuities.	Increase
English	£1,564,250	£333,550
German	617,766	52,877
Austrian	158,412	10,175
Swiss	80,017	5,690
French	2,854,952	173,546
American	632,701	73,529
Scandinavian	104,423	6,957
Total	£6,012,521	£656,324

ASSETS.

Companies.	Premium Reserves.	Total Assets.	Increase in 1897.
English	£207,139,267	£214,127,439	£ 9,747,614
German	76,140,834	106,947,197	2,928,715
Austrian	20,722,315	26,197,226	1,710,126
Swiss	4,362,845	5,665,244	351,460
French	74,225,176	87,500,649	3,936,630
American	235,895,426	283,485,910	22,466,988
Scandinavian	6,125,422	10,300,593	824,080
Total	£624,611,285	£734,324,258	£41,965,523

Whereas the total assets include, say £5,200,000 uncalled capital in German companies, £360,000 of the Austrian, £574,000 of the Swiss, nearly £6,000,000 of the French, and £2,036,000 of the Scandinavian, an item which should be deducted from the above aggregate amounts, the actual assets remain at £720,000,000 in round figures.

RECEIPTS.

Companies.	Premiums.	Interest and Rents.	Total.
English	£21,935,129	£ 7,964,761	£ 30,049,366
German	12,102,900	3,315,266	15,660,520
Austrian	3,226,416	921,762	4,561,727
Swiss	663,758	176,712	877,373
French	8,976,188	2,819,096	11,789,284
American	50,871,312	12,656,524	64,019,487
Scandinavian	1,020,928	268,860	1,331,559
Total	£98,790,631	£28,122,981	£128,289,316

MANAGEMENT EXPENSES.

Companies.	Agents' Commission and Management.	Percentage of Income.
English	£ 2,840,428	9.5
German	1,471,115	9.6
Austrian	575,992	13.9
Swiss	78,525	9.3
French	895,158	7.6
American	14,361,180	22.6
Scandinavian	163,576	12.7
Companies.	Other Expenses.	Total.
English	£ 97,128	£ 2,937,556
German	240,575	1,711,690
Austrian	259,684	874,676

Swiss	34,941	113,466
French	11,475	906,633
American		14,361,180
Scandinavian	97,607	261,183

PROFITS AND DIVIDENDS.

Companies.	Net Profits.	Percentage of Premium and Interest Receipts.
English	£1,660,314	5.6
German	2,440,491	15.8
Austrian	229,984	5.5
Swiss	85,128	10.1
French	871,251	7.4
American	8,842,090	13.1
Scandinavian	104,180	8.1

Companies.	Amount of Dividends. To Policy-holders.	To Share-holders.
English	£1,201,353	£458,961
German	2,088,763	124,376
Austrian	69,231	120,987
Swiss	67,122	7,679
French	385,750	384,926
American	3,915,354	157,155
Scandinavian	65,285	24,107

A Review of Life Insurance.

BY PRES. MCCALL OF THE NEW YORK LIFE INS. CO. READ BEFORE THE INSURANCE COMMISSIONERS' CONVENTION.

From 1862 to 1870 the number of companies reporting to the New York department increased from eighteen to seventy-one—the latter being the highest number ever reported. During the same period the insurance in force and the gross assets increased over ten-fold. In eight years over two hundred and thirty million dollars were added to assets, and over eighteen hundred millions to risks in force.

During this period state supervision in New York became full-fledged. It was begun in a mild form under the Revised Statutes of 1828, which required all moneyed corporations thereafter created to make annual reports to the state comptroller. This provision was continued in the first general Insurance Act of April 10, 1849, and compliance with its requirements by foreign companies was made a condition of their admission to the state. A deposit with the state for the protection of policyholders was first required by the act of April 8, 1851, and under this act the comptroller was given authority to make official examinations of companies. This act also made the possession of a reinsurance fund a necessity, and required a company to be dissolved if its assets were not sufficient to reinsure its outstanding

risks. The general life and health insurance law of 1853 required the companies to report a classified statement of all policies in force, together with the data necessary for an official valuation of policy liabilities. The act of April 15, 1859, creating the insurance department, made no new requirement of the companies, but transferred to the superintendent the authority over them formerly exercised by the comptroller. A standard of solvency was first adopted by law in 1866, the English Life Table No. 3 for Males, with interest at five per cent., being chosen. In 1868 the standard was changed to the American Experience Table, with interest at four and one-half per cent. The first official valuation of the policy liabilities of all companies doing business in the state was made as of December 31, 1869. The second annual valuation, made December 31, 1870, showed seventy-one solvent companies with \$2,000,000,000 of insurance, \$269,000,000 in assets and \$48,000,000 in surplus. At this time six other states had adopted the New York standard, while four states stood with Massachusetts for the Actuaries' Table, with four per cent. interest; Iowa had anticipated the financial discussions of our day by adopting a double standard.

A PERIOD OF DISASTER.

The nine years immediately following the first convention (of insurance commissioners, 1871) must be accounted the most trying period in the history of American life insurance. The number of companies which ceased doing business in New York was forty-six. Only four reinsured in companies that remained solvent; only ten others paid their liabilities in full. Receivers' reports are incomplete, but a careful examination of such as are accessible show the total loss to policyholders by failures among American life companies to be about thirty-five million dollars, nearly all of which occurred during this period.

The statutes applicable to winding up insolvent companies were entirely inadequate, and much expensive litigation was necessary to determine what the law really was. Meanwhile the waste and extravagance of receiverships went on until they became almost as great a scandal as the mismanagement of companies that had brought them into being. The situation was more acute in New York state than elsewhere, because, of the forty-six companies which ceased doing new business, twenty-seven had their domicile in that state. Governor Robinson called attention to

the subject in his annual message of 1878, and the delegates to this convention at its meetings in 1877 and 1878 adopted resolutions deploring the evils of receiverships, and pledging themselves to make every effort to save companies from receivers' hands. The legislature did but little to protect the interests of policyholders, and the ill-timed denunciation of life insurance indulged in by some of its members often failed to discriminate between well, and ill-managed companies, and so added to public distrust. The insurance legislation of this period in New York, which was intended to be remedial, was: A law (in 1873) limiting the superintendent's charges for examining companies to

LOSSES IN NEW YORK COMPANIES.

Companies.	Cash Liabilities.	Cash Dividends.	Loss to Policyholders.
1. Continental	\$ 4,821,048	\$1,344,066	\$ 3,476,982
2. Globe	3,268,821	1,921,002	1,347,819
3. Guardian	1,727,282	376,089	1,351,193
4. Knickerbocker	3,065,708	685,344	2,380,364
5. North America	2,923,829	987,912	1,935,917
6. Security Life & Annuity	2,474,968	259,764	2,215,204
7. Universal	2,812,599	200,000	2,612,599
Twelve small companies	3,835,642	1,815,804	2,019,838
Totals	\$24,929,897	\$7,589,381	\$17,339,916

1. Includes American Tontine, Farmers and Mechanics and Empire Mutual.

2. Includes Merchants' Life. Dividends include \$100,000 of net shortage of \$129,550 in Expenditures from incomplete receivers' reports.

3. Includes Amicable, Widows and Orphans Benefit and Mutual Protection (changed to Reserve Mutual), and New York State Life.

4. Cash Dividends include \$75,000 of \$109,873 on hand December 31, 1886, and not reported on.

5. Includes Standard and Government Security.

7. Liabilities include \$1,500,000 for loss in scaling policies in 1878. Receivers' reports incomplete; difference between receipts and disbursements, \$222,763; dividends estimated.

LOSSES IN OTHER-STATE COMPANIES.

Companies.	Cash Liabilities.	Cash Dividends.	Loss to Policyholders.
1. New Jersey Mutual	\$ 1,006,185	\$ 41,024	\$ 965,161
2. Piedmont & Arlington, Va	822,060	52,384	769,676
3. Republic, Ill.	1,100,500	346,112	754,388
4. Charter Oak, Conn.	8,491,387	553,472	7,937,915
5. Continental Conn.	1,752,050	297,848	1,454,202
6. Columbia, Mo.	2,824,169	249,250	2,574,919
7. Life Association, Mo.	1,935,846	417,279	1,518,567
8. Am. Nat'l L. & T. Conn	668,758	66,876	601,882
9. American, Pa.	1,202,533	454,195	848,338
Seven small companies	1,190,012	533,008	657,004
Totals	\$21,093,500	\$3,011,448	\$18,082,052

3. Includes Hahnemann, Ohio, and Economical R. I.

4. Liabilities include a loss of \$5,446,749 in scaling policies in 1877.

6. Includes St. Louis Mutual, Atlas and De Soto.

7. Includes Empire State Mutual, N. Y.

actual expenses, and providing a specific method of payment; a law (in 1876) requiring the companies to give thirty days' notice of premiums falling due before declaring policies lapsed; a law (in 1877) forbidding life companies to reinsure risks without the written consent of the insured, and authorizing receivers to reinsure the whole or any part of the risks of insolvent companies; a law (in 1879) regulating and expediting the winding up of insolvent companies; and a non-forfeiture law (in the same year) which was somewhat less liberal in its provisions than the terms which were freely granted under the policies of most companies. The value of these measures of relief will be apparent when I say that a failure involving a very heavy loss to policyholders occurred in 1883, several years after the last law mentioned was enacted.

Other important legislation of the period was the reciprocal valuation law (1873); the law (1873) allowing a life company to purchase its own policies issued in favor of a wife with reversion to children; the law (1879) allowing such policies to be assigned; and the Massachusetts law (1880) requiring the companies to pay a cash surrender value if requested at the end of any year after the first.

The loss, to solvent companies, of business as well as of *prestige*, during this period, was very great. In 1870 the income of the companies doing business in New York was \$105,000,000, in 1879 it was \$76,000,000; in 1870 the new business was \$588,000,000, in 1879 it was \$168,000,000; in 1870 the risks in force were \$2,024,000,000, in 1879 they were \$1,440,000,000. Notwithstanding the removal of so many competitors from the field, the business of the thirty-one solvent companies was less in 1879 than that of the same companies in 1870; their income was two millions less, their risks in force were seventy millions less, and their new business had fallen off over one-half. The total new paid-for business of all the companies in 1879 was nearly thirty-eight million dollars less than has since been written in one year by a single company.

Yet all these losses and failures are but a part—and a small part at that—of the loss and failure which overtook the business interests of the country generally during the same period. The financial panic of 1873 marked the culmination of the over-trading, over-building, and over-capitalization which resulted naturally from the inflation of the currency during the Civil War. Life insurance had grown more rapidly than any other busi-

ness of equal magnitude; its failures and losses were proportionally much less. At the end of 1873 the entire capital account of the railroads of the country was about thirty-eight hundred million dollars, and during the next six years roads representing nearly one thousand millions were sold under foreclosure or went into receivers' hands. The assets held by failing life companies amounted to about one-ninth of the total; the assets of defaulting railroad companies represented over one-quarter of the total. About one-fourth of all the savings banks in New York went out of existence during the six years following 1871, with losses amounting to about four and one-half million dollars. The superintendent of the banking department, commenting on these failures, said, if the funds of all savings banks in the state had been invested in United States bonds in 1871, the shrinkage would have been seven million dollars; if in the best railroad securities, it would have been over thirty millions; if in the best bank stocks, thirty-five millions; and if in real estate, from forty to fifty millions.

It seems clear from this review that these failures resulted from bad management, in the broadest sense of the term. It was extravagant, wasteful, dishonest. It paid too much for services rendered; it did not take proper care of the results obtained. The data upon which it proceeded were not deceptive: no company failed because of an excessive death-rate, nor (save in a single case) because it was impossible to realize a rate of interest equal to that upon which its premiums were cast.* The assumption which failed was that the loading on the net premiums would equal expenses and losses on investments. Some of the smaller companies were indeed honestly managed, and reinsured while solvent; their mistake was in reinsuring in badly managed companies. There were others which might have been saved by more judicious handling on the part of officers of the law; their mistake was in approaching so near the "deadline" that officers of the law could drag them over it. In no other business is failure so disastrous as in life insurance; in no other is it so unnecessary; in no other is it, therefore, so inexcusable. It is of no use to lay the blame of failure upon the law that makes a net valuation the test of solvency, because this law existed before most of these companies began business. That was one of the con-

*The Universal, which assumed six per cent. interest in calculating its premiums.

ditions of their life, to be prepared for and conformed to, as much as any other condition.

In 1879 the epidemic of failures which had set in nine years before had run its course; the patients were nearly all dead, and the business of the remaining companies began to improve. In 1879 the new insurance showed an increase from its lowest point; in 1880 insurance in force showed an increase from its lowest point; and in 1881 the total income showed an increase from its lowest point. No one but those who were familiar with the business in those troubled years can realize how hard the struggle was, nor how much effort was required to regain lost ground. We talk lugubriously sometimes of the difficulties of getting business in these latter days, because of the fierce competition—which means, practically, that the difficulties are of our own creating—: in the years which we are reviewing, the whole outside world seemed in arms against the life insurance manager. Not until 1886 was the insurance in force of companies doing business in New York as great as in 1872; not until 1887 was the total income as large as in 1873; and not until 1888 was the new insurance as much as in 1869. It took from fourteen to nineteen years to repair the losses which life insurance suffered by reason of commercial depression and internal mismanagement.

The Independent Order of Foresters.

(From The Policyholder.)

In September last we drew attention to certain mischievous statements, in support of the Independent Order of Foresters, made in two insurance journals, one of which being the Insurance Guardian, and we pointed out that such statements when circulated among the general public, through the medium of journals supposed to possess technical knowledge of insurance, are calculated to mislead the uninitiated and to injure the business of legitimate life companies. If the rates charged, we said, by the Independent Order of Foresters are adequate, then the rates of the ordinary life companies are necessarily a monstrous overcharge, and it is impossible to reconcile the two sets of rates, for if one set is right, the other set must be wrong. In round figures the Independent Order of Foresters profess to give for 10s. benefits for which the ordinary life companies charge 20s., a difference of rates which at once raises most serious issues. During the past twelve months we have controverted with great particularity, point by point, the statements upon which

the advocates of the Independent Order of Foresters base themselves, but, so far as we are aware, there has been no attempt to grapple with our arguments for vague assertions and mis-application of facts cannot be regarded as serious contributions to this important question. The facts set forth in our article of September 7, and in previous articles in the Policyholder, are really unanswerable, a declaration we make without fear of the charge of dogmatism, for if our arguments be wrong, then all the actuaries in England—in the world, shall we say?—are wrong, and the mortality and interest tables they have compiled grossly misleading and unreliable. We are assuming, of course, in the foregoing argument that the contention of the advocates of the Independent Order of Foresters is that the system of that order is one under which life insurance can be provided at about half the rate of premium charged by ordinary life companies. If, however, it be admitted that the system is merely a method of charging a low rate at age of entry, and gradually increasing the rate as the assured grows older—an honest description of it—the system would then be so entirely legitimate, though in the long run, unsatisfactory and expensive. Everyone with knowledge of the principles of life insurance is well aware that the rates of the Independent Order of Foresters must be largely increased as time goes on, but needless to say, if the public knew this they would be careful to avoid the order, so far as whole life and endowment insurances are concerned. The members of the Independent Order of Foresters are, however, taught that they are participating in a new and true evangel of life insurance, whereas in point of fact, they are only one remove from the foolish enthusiasts who can be made to believe that the earth is flat.

The Meaning of a Recent Supreme Court Decision.

In 1895 T. Carl Spelling, as attorney for numerous victims of life and endowment assessment associations in California, brought an action against the insiders to recover back the assessments on the ground of the want of corporate capacity of the associations and the illegality of the contracts issued by them. The "endowment" and "self-endowment" associations were modeled after the Pacific Endowment and Benevolent Association of America, set on foot in Texas in 1880 and thence transplanted to California about 1884. After its style and practice, no fewer than 100

mushroom schemes were started, enjoyed a precarious existence for a time and then disappeared or came up smiling under a new name.

The said action recently terminated in a decision by the supreme court of California declaring the legality of the business done by the defendant and the complete immunity from liability of its managers. (See Perkins v. Fish, 63 Cal. Decisions p. 22.) The effect of this decision is already known to some of those who were formerly in the business or will soon be generally known. Then we may expect some repetition of past history.

In 1889 over fifty swindles of that character were in full blast in San Francisco alone, and there were others in Los Angeles and Oakland and one in Santa Rosa. In that and for four or five following years, Mr. Spelling, aided by state officers waged effective warfare against them, resorting to *quo warranto* proceedings and public investigations, the results of which were the complete exposure of their *modus operandi*, the flight of the adventurers to more congenial climes, and the complete loss of confidence in speculative assessment schemes.

Without legislation providing further safeguards to the public, it may be safely predicted that the same performances of the last decade, when thousands of dollars were transferred to the pockets of irresponsible fakirs, will be rehearsed.

Decline of Ancient Order of United Workmen.

	Year.	In Force.
A. O. U. W. Grand Lodge, Ga.	1897	\$ 3,648,000
Ala., Miss., N. C., S. C., Fla. 1898		3,460,000
A. O. U. W. Grand Lodge	1897	34,850,000
Paris, Illinois.	1898	31,538,000
A. O. U. W. Grand Lodge	1897	58,860,000
Emporia, Kansas.	1898	58,580,000
A. O. U. W. Grand Lodge	1897	7,102,000
Baltimore, Md.	1898	6,482,000
A. O. U. W. Grand Lodge	1897	45,630,000
Detroit, Mich.	1898	41,070,000
A. O. U. W. Grand Lodge	1897	47,868,000
St. Louis, Mo.	1898	42,130,000
A. O. U. W. Grand Lodge	1897	11,082,000
Helena, Mont.	1898	10,102,000
A. O. U. W. Grand Lodge	1897	52,384,000
Dunkirk, N. Y.	1898	52,286,000
A. O. U. W. Grand Lodge	1897	6,474,000
Utah, Wyoming and Idaho. 1898		6,226,000
Summary of entire order		
A. O. U. W. Supreme Lodge		
Jurisdiction	1897	738,198,000
Maryland.	1898	695,980,000

LIFE NOTES.

THE UNION MUTUAL LIFE continues to report gains.

THE PROVIDENT SAVINGS has paid two war claims.

THE MUTUAL LIFE is extending its business rapidly in Great Britain.

PREMIER LAURIER of Canada is insured in the PROVIDENT SAVINGS.

PRESIDENT HYDE of the EQUITABLE LIFE was not seriously ill, as reported.

PRESIDENT GREENE of the CONNECTICUT MUTUAL has returned from Europe.

THE GERMANIA LIFE gave all holders of policies for \$10,000 or less free war permits. The company incurred two war claims.

You have heard of the Waterbury watch: well just watch the Waterbury Life, the new disguise of the Connecticut Indemnity.

THE Phinney case, at Seattle, having a standing in court on technical grounds, has been settled satisfactorily by the Mutual Life.

SECRETARY Edward M. Bunce of the CONNECTICUT MUTUAL LIFE died last month of pneumonia, aged 57. Deceased was a cousin of President Bunce of the PHOENIX MUTUAL LIFE.

It is stated that the MUTUAL LIFE will soon place in the hands of its agents a new policy providing for a cash value after five years and with loan and extension values at the end of the second year.

THE Mercantile Benefit of New York tried graded assessments but failed just the same, the membership dropping with a sickening thud from 2,000 to 700. The Hartford Life is trying to swallow the carcass.

Greatest Success on Earth.

Life insurance as a business is the greatest in this or any other country and its success during the last quarter of a century is without a parallel. The integrity of the officers and directors of these great organizations and the ability they have displayed cannot but receive, as they most justly merit, the gratitude of their patrons and the admiration of the business world, but the greatest honor is due to the honest and conscientious representatives in the field of the various companies; they are the ones to whom is due the greatest credit.—Pres. Pattison.

Life Premium Note Decision.

The Minnesota supreme court, in the case of Louisa Banholzer v. the New York Life Ins. Co., has just handed down a decision in favor of the defendant. The point at issue was the obligation to serve notice of forfeiture in case of non-payment of partial-premium note at maturity. The husband paid part cash and part note. The third note was not paid, and no notice was sent. The court ruled that the New York law did not apply to the note. On failure of insured to pay the note the policy was forfeited, and no notice of forfeiture was necessary.

Death of Secretary Bunce.

Edward Merrill Bunce, secretary of the Connecticut Mutual Life Insurance Company, died on November 19 of typhoid pneumonia, after a brief illness. The deceased was born in Hartford in February, 1841. In 1879 he was elected a director of the company, and in 1889 was elected secretary. To this position he brought a ripe judgment and long experience in finance. In a tribute to Mr. Bunce, Vice-President Taylor says:

"We, who stood so near to him in personal and official life, may now speak of his spotless honesty—the cardinal test of manhood in these days—steady as a planet in its silent march."

United States Masonic of Davenport, Ia.

Or., Nov. 25, 1898.

Editor Coast Review: Please publish the standing of the United States Masonic Life Association of Davenport, Ia. My father, now an invalid and unable to secure other insurance, had his assessments raised from \$23 to \$69 annually, payable in bi-monthly installments. Of course, it is not necessary to add that he has dropped his insurance, which no doubt would be of no vaule if kept in force.

Yours truly, —————

This Iowa Association has changed its name to the United States Life Association. It has been on the down grade for several years, and since 1893 its death rate per 1,000 has doubled. The average age of the members is exceedingly high. It is not probable that the association can survive its present embarrassment. With

a death rate of some 18 per 1,000, with a loss of half its members in five years, and more than half its receipts, the association is heavily weighted by a load of impaired risks and a general loss of confidence. Our correspondent's father probably acted wisely by allowing his certificate to lapse.

Vice-President of the Equitable.

As to Vice-President Alexander, the least that can be said is that "none know him but to love him, none name him but to praise." We hear a good deal now-a-days of the scholar in politics, but here is the scholar in the field of insurance, showing in his daily walk the combatibility between the refining influences of an honored position in the republic of letters and the weighty responsibilities of an office which demands business capability of the highest order. Both as the nephew of the first president of the Equitable, and by virtue of his own special gifts and graces, he is looked to in the course of coming years as the "heir apparent" in the line of succession.—*Baltimore Underwriter.*

ONE of our great life offices classifies one month's payments. Merchants lead, real estate men are at the bottom, and no mention is made of insurance men and journalists—who either didn't die or are too rich to need life insurance.

WE used to wonder why the fraternal business assessment associations so bitterly opposed state supervision of their affairs. Now we are wiser. They anticipated McNall, et al., and were not afraid to report their figures.

ANOTHER Masonic insurance scheme has been put into the hands of a receiver—the Scottish Rite, Knights Templar and Master Masons Aid Ass'n of Dayton, O.

THE Philadelphia manager of the Equitable Life, A. Maher, is charged with violating the anti-rebate agreement.

ANOTHER heavily-insured banker has committed suicide.

ACCIDENT. SURETY. ETC.

Double Travel Liability Escaped.

The Travelers won in the Van Bokkelen case mentioned in our November book. The insured held a \$10,000 combination policy, entitling him to double benefits if injuries were "sustained while riding as a passenger in any passenger conveyance using steam," etc., as a motive power. Van B. fell from a train, but caught hold of the hand-rail and was dragged some distance before he let go and was killed. The company refused to pay the double indemnity. The appellate court of New York has sustained this refusal, and held that the double indemnity clause is not operative when the insured is not riding in the passenger conveyance.

In the Berliner case, recently disposed of, the California supreme court gave an opinion widely different, though the point involved seems to have been substantially the same. The Travelers was also the defendant. The policyholder was killed while riding on the locomotive, whither he had gone on the invitation of a railroad official. The court held that the engine was a part of the "conveyance." The wording of the double indemnity clause was the same in both policies.

The real point at issue, so far as equity is concerned, is the meaning of the clause as understood by both insurer and insured. It will not be denied that every "double-travel" insured man who travels in a passenger conveyance propelled directly or indirectly by steam-power believes that his policy covers the hazard of any accident happening to him while passing from one car to another. But what do the companies understand by the phrasing of the clause?

The Travelers, it is plain, does not take this view of the liability. It refused to pay the Berliner claim, and also, more recently, this Van Bokkelen claim. It may be just as well for holders of Travelers double-benefit policies to bear this attested fact in mind. It contends for the exact letter of the contract. The accident must happen to the traveler, not

as the result of an accident to the public conveyance, but while in that conveyance. If he be blown or thrown out of the conveyance and be impaled on a picket, no double liability attaches, because the accident does not happen while the insured is in the conveyance.

Double indemnity, therefore, according to the New York court—so far as the Travelers is concerned—narrows itself to an accident happening to the policyholder while he is inside of the conveyance. It would simplify matters if the company were to amend the phrase by adding "as the result of an accident to the vehicle." There is virtually no double liability for any other kind of accident, under a Travelers policy.

ACCIDENTS.

Fumes of burning sugar aboard ship caused the death of three men in the captain's sitting-room.

The breaking of a round of a ladder caused the fall of a Los Angeles attorney (Townsend), with fatal results.

MUZZLE FOREMOST.—As narrated elsewhere, a Stockton contractor drew a gun muzzle foremost from a buggy. The hammers caught on the threads or in a hole in a blanket, and both barrels were discharged into the body of the hunter. Such accidental shooting from hammer-catching can nearly always be avoided by keeping the hammers on the safety-notch or at half-cock; and can always be prevented by removing the shells when putting the gun away or before crossing a fence. A gun is seldom dangerous to the carrier who never turns its muzzle toward himself.

LOCKED JAW.—A bicyclist at Salinas, Cal., was thrown from his wheel. He was only slightly injured by a cut over the eye. Four days later he died from lockjaw. From the dust of the road he had absorbed the bacilli of tetanus. About a year ago a similar fatality occurred in England. A bicyclist was likewise slightly bruised about the face by a fall from his wheel. He wiped the dust from his face, remounted and rode away, thinking no more of the mishap until taken ill. Some of the dust from the exact spot where the bicyclist fell was subjected to a microscopic examination, and the bacilli tetanus were revealed. It is believed that these parasites are carried from

fields by horses, which absorb them in grazing. Persons who suffer abrasions of the skin from falls or accidents in the dust should expose the wound to the air and encourage the flow of blood, for oxygen is fatal to the bacillus of locked-jaw. It feeds only on the nervous system, and is very likely to kill when it enters the system through the heel or great toe, with little or no flow of blood. Bicyclists are advised to wear gloves when riding and when handling the tires, though of course the danger from this rare disease is exceedingly remote.

Accident Associations on the Down Grade.

	Year.	In Force.
American Mut. Accident Ass'n	1897	\$ 5,205,250
Oshkosh, Wis.	1898	4,902,400
Brotherhood Accident Co.	1897	21,607,750
Boston, Mass.	1898	22,869,000
Equitable Accident Ins. Co.	1897	6,180,750
Boston, Mass.	1898	5,617,250
Fraternal Acc. Ass'n of America	1897	14,995,600
Westfield, Mass.	1898	13,980,050
Imperial Accident Ass'n	1897	1,139,000
Des Moines, Ia.	1898	818,000
Iowa Accident Ins. Co.	1897	2,681,600
St. Paul, Minn.	1898	1,379,500
Mass. Equitable Accident Ass'n	1897	32,030,250
Boston, Mass.	1898	29,140,100
Masons Fraternal Accident	1897	50,642,540
Westfield, Mass.	1898	49,697,540
Metropolitan Accident Ass'n	1897	5,646,750
Chicago, Ill.	1898	4,393,200
Mutual Indemnity Co.	1897	35,500
San Francisco, Cal.	1898	20,600
Piqua Mut. Aid and Acci. Ass'n	1897	18,349,000
Piqua, O.	1898	17,722,500
Redmen's Fraternal Acci. Ass'n	1897	4,639,000
Westfield, Mass.	1898	4,209,500

The Travelers was an unsuccessful defendant in a Maryland case. The policyholder died from a pistol-shot wound. The company refused to pay the claim, alleging that it was a case of suicide. The court of appeals has just upheld the verdict and instructions in the court below. The jury were instructed that where death results from a pistol-shot wound, self-destruction is not to be presumed, as the law presumes the wound to be the result of an accident. The burden of proof is upon the defendant company to show by a preponderance of evidence that the wound was intentionally self-inflicted.

IN BAD TASTE.—Somebody has imposed upon the *Perambulator* man with a silly contribution, making gross misrepresentations of another company's policies. The writer says the

insured has the choice of taking the principal or taking the interest for forty years and allowing the company to keep the principal; and he asks, after saying that "at first glance this appears a good thing"—"Is there anyone so foolish as to purchase such a policy?" We reply, Probably nobody but the silly fellow who wrote the criticism entitled "What Next?" in the *Perambulator*. The publication of the alleged criticism, as well as the language, was in exceedingly bad taste.

NEW YORK CITY'S public accountants recently examined the affairs of the CITY TRUST, SAFE DEPOSIT & SURETY Co. of Philadelphia. They report to the comptroller of the city that "the management of the company's affairs is conducted upon lines of extreme caution and directed by a high order of business experience." Ed. E. Potter of San Francisco is resident secretary of the California department.

UNCLASSIFIED.

THE Ancient Order of Foresters says, "God hath made of one blood all flesh." This is the basal principle of the order, but the American branch seceded rather than recognize the colored person as a man and brother. The parent order said the American branch could refuse to admit colored people, or could levy additional rates on them, but it must eliminate the word "white," the use of which is contrary to the universal brotherhood principles of the society. Many American courts, however, still retain allegiance to the great original society.

It appears that some sixty years ago (says the *Insurance Spectator of London*), Spanish authorities agreed, in satisfaction of a lien on government funds, which more or less existed in favor of the inmates of certain convents, to pay the nuns therein a small annual allowance. It has now been discovered that, though this arrangement is upwards of sixty years old, not a single death amongst these annuitants has been recorded. An almost parallel case can readily be found, but hardly any such a one would show such results as those in the present case. It seems that the youngest of these annuitants would, if alive, be seventy-eight years of age, whilst the older ones would have reached the ages of one hundred and twenty-seven years or a little less. Here's a fine record for a mortality table, and another proof, of a kind, that annuitants never die.

This Year's Marine Business.

The year 1898 is going out in a tremendous tempest, as far as marine interests are concerned. The daily prints, for the past few weeks, have been overflowing with narrations of disasters on the seas and great lakes. Stanch ships have gone ashore in all parts of the globe, and other ships have sailed out of port, never to be heard of more. The great deep has many more dead than a year ago.

It is too soon to write definitely of the marine companies' experience, as a whole; but with lower rates and higher losses than in former years, it seems probable that the increased writings will not put cash to the good on the undertakings of 1898. The war risks, however, turned in a great sum of premiums, with only nominal losses to offset the same.

Gutte & Frank's Marine Department.

The well known firm of Gutte & Frank of San Francisco transact a large marine business, as well as fire business. Their combined premium receipts place them in the front rank of the general agencies and departments of the Pacific Coast. The marine premiums of the firm last year total nearly \$170,000, which is among the three or four larger totals.

Gutte & Frank's marine companies are the Wilhelma of Magdeburg General, the Kosmos, and the Associated Assurance Companies, to none of which can the most exacting shipper or ship-owner take exception on the score of security or record. Many of the foremost men in the financial and business circles of Germany are identified with these companies, as directors and stockholders; and their reputation as solid institutions conservatively managed is exceedingly high at home where they are thoroughly known.

ACCORDING to the *Vegetarian* a young merchant in Damascus was required to pass two medical examinations because he ate no flesh. The several examiners, of different schools, pronounced the vegetarian a splendid risk—strong and in perfect health. The applicant's theory of

diet is that man should eat only fruits ripened in the sun's rays. "As all flesh is grass," we are under the impression that food meats are composed of materials originally ripened in the sun.

London Assurance Company.

The home office figures of this very old English fire office attest its increased strength and general prosperity, as usual. Noteworthy additions were made in both assets and surplus, and the large premium income is substantially the same, exceeding three and a third millions. The regular advance of the London's resources in the past few years is shown by this compilation from the *Coast Review Chart*:

Jan. 1.	Assets.	Surplus.
1898	\$9,413,990	\$7,383,995
1897	9,339,840	7,272,828
1896	9,250,615	7,185,085
1895	9,004,175	6,971,000
1894	8,707,727	6,626,244

The London is one of the oldest fire insurance companies in the world, it having been organized one-hundred and seventy-eight years ago. It has \$2,241,375 cash capital, and its net surplus is over twice the amount of the capital, while its surplus as regards the policyholders exceeds seven-ninths of the assets. Such security behind the contract of indemnity commands attention and holds confidence.

The United States department has \$2,335,577 assets invested in this country, and the very large proportion of \$1,345,994 of this sum is surplus. The Coast department is under the successful management of Geo. F. Grant, who also has charge of the Coast department of the Northern.

Barbaric.

It is indeed true, as has been said, that "retaliatory laws are a relic of barbarism and an outrage." They punish the innocent for the sins of the guilty. Such laws are more than barbaric: they are foolish, for they never have brought about the repeal of the original offending law. The discriminatory tax which provokes retaliation is of a savage character also, for it is essentially tribal in its nature, and utterly unworthy of a civilized people

with national instincts. It is a curious fact that the Eastern states are the most provincial in this respect.

British & Foreign Marine Insurance Company.

Organized in 1863, this great British marine office has steadily advanced to a foremost position, and has accumulated some seven and a half millions of cash assets. Of the \$6,700,000 subscribed capital, \$1,340,000 has been paid into the company's treasury, thus creating, with the company's large net surplus funds, an extraordinary amount of clear surplus for the protection of all policyholders. The reserve fund, in addition to capital, is \$3,000,000. The surplus funds in hand, over liabilities, together with the subscribed capital behind which stand the wealthy stockholders, form an aggregate security which assures the company a leading position in marine underwriting and the financial world.

The premiums of the British & Foreign in the year covered by the last annual report gave a net total of \$2,763,990. The loss experience was very favorable, and the amount carried forward was handsome accordingly.

In this field the company is represented by Balfour, Guthrie & Co., under the management of A. H. Small. It stands first among foreign companies in Pacific premiums.

Vacant Buildings.

One has need to be only a casual reader of the daily press to remark the frequency of fires in vacant buildings and especially in vacant dwellings. Tramps sleep in them, and start fires accidentally or with criminal intent. Thieves break in and steal their contents if any, and set fire to the premises to conceal the theft and make good their escape, or to so attract the attention of the neighbors that other dwellings may be burglariously entered during the excitement of the fire. There also have been known cases of incendiary fires easily started in vacant buildings, by desperate unemployed men, in the belief that work might be thereby com-

mitted; and by vengeful men nursing a grudge against the owner. The hazard of the vacant dwelling, the vacant store or factory or shop, is, for the foregoing reasons, greater than that of the same buildings occupied, as a rule. Not only is the moral hazard greater, but a fire in the unoccupied building usually obtains great headway before it is discovered, and the loss is therefore more.

The Amount of Life Insurance which Should be Carried.

The old question, How much life insurance ought one to carry? comes to the surface quite often. We notice that one contemporary makes an elaborate argument for an amount equal to the man's income. It says that the man of family should insure the payment of a sum which safely invested would earn as much as he earns. Three facts have been overlooked. First, the average man can not afford to carry that amount. Second, that no allowance is made for the personal expenses of the bread-winner. Third, the moral obligations of the insured do not require him to guarantee an income to sons and daughters beyond the dependent age.

It is well to carry life insurance in a large sum, if possible, not only for the sake of the family, but for his own sake also: for life insurance can be made a guaranty against want in old age, as well as against want in a fatherless family. But the average man is confronted with narrow limitations. He can afford only a small sum of insurance, but would like to feel sure that that sum will really suffice to provide the needed protection.

We offer him suggestions. Let him eliminate his personal expenditures. Then figure on cost of living in desirable but cheap localities. Then add a small annual expenditure for emergencies. The sum safely invested at 5 per cent. necessary to produce this annual income is at least the lowest amount he should carry if he can afford it. If the cost is too great, he should figure on a sum sufficient at interest and with a decreasing principal to provide for his family until his children

are self sustaining. Every man can afford to carry this amount if he insures in early life.

His Spanish Blood Boiled.

Only an imaginary line divides the Americans from the Mexicans, but they differ as much as if separated by an ocean. Whoever has business dealings with the inhabitants of the republic on our southern border learns this fact at the beginning. The business traditions and habits and methods or lack of methods of Old Spain are still dominant in New Spain.

The general agent of an American company in the City of Mexico was a distinguished and haughty gentleman of Spanish birth and noble parentage. He had a profound sense of what was due his position and antecedents, and was as ready to charge a windmill obstacle as the noble Don Quixote of La Mancha.

Senor Don Montereynos—which translated liberally means Highmightiness, and was not the haughty gentleman's real name—did not suffer his aristocratic birth nor devotion to Saint Manana to prejudice him against a profitable engagement in vulgar business. He accepted the agency of an American company—of several, in fact—and turned his name and influence into cash. Being of luxurious tastes and extravagant habits, his expenses outran his income, and the balance due his employers became too large to be attributed wholly to unavoidably slow collections in the land of Manana.

Senor Don Montereynos was surprised, one fine day, by the receipt of a visit from a representative of an American company. Surprise was followed by grief and indignation, when the American informed the senor that he had come to look over his books. Carambo! Should a noble son of Spain submit to such an insult? Never! Senor Don Montereynos fairly flamed with rage and swore the most terrible oaths. His honesty had been questioned; the company doubted his word; the inspection of the agency books would be an invasion of his personal rights; etc.

The representative of the American company vainly explained that the examination was a formal duty and that no disrespect was implied. He must report to the company all the particulars of the business of the agency, certify to the amount due from its general agent, and arrange for payment at an early date. But the high-minded senor refused to be pacified. He thirsted for the blood of an American and challenged the company's traveling representative to fight a duel then and there. He demanded the satisfaction due a Spanish gentleman's wounded honor. Only blood could extinguish his hot just wrath and blot out an insult.

The American was amazed. The clerks in the office, who were interested auditors, seemed to view their valiant chief's wrath as the proper thing under the circumstances, and they cast scornful glances at the Gringo. It was now the American's turn to become angry. He was a pugnacious man, though slow to take offence under ordinary circumstances. With a great round mouth-filling oath, he drew off his coat and turned up his shirt-sleeves, and with clinched fists and a look of intense resolution, strode toward Senor Don Montereynos. "Fight you?" he exclaimed: "of course I will, you lanky — —! Step out back here and I will maul the life out of you. I demand the books of my company's business this instant. No more nonsense!" There was a scattering of clerks and a slamming of doors, and the two belligerents were left alone. But no shots were fired, no sword was drawn, no blow was struck.

When the clerks ventured back, the American was looking through the records of his company's business in the City of Mexico, and was assisted by the general agent. Both gentlemen seemed as placid as the joint signers of a peace protocol. The noble Spaniard had gracefully yielded to superior force and a better disciplined temper, and was ready to pay any fair indemnity for the explosion. Later the terms of peace were celebrated over a cold bottle.

November Fires.**Washington.**

29. (Oct.) Mt. Vernon, fr bldg: Union, London	\$525
30. (Oct.) Klickitat co., fr dwg and contents: London & Lancashire . . .	\$500
25. Seattle, br and fr bldg, stock, jewelry, etc.:	
Providence, Wash.	\$ 750
Merchants, N. J.	2,500
Hanover	878
London & Lancashire . . .	1,125
Connecticut	3,000
Thuringia	944
Palatine	1,592
Agricultural	579
Royal	742
St. Paul	500
Springfield	1,100

Total \$. . .

3. Seattle, fr dwg and contents: Ins. Co. North America .	\$577
14. Goschen, machinery of shingle mill: Svea	\$615
30. Whitman co., fr dwg: Svea	\$800
Walla Walla, ranch dwg and contents: N. Y. Underwriters . . .	\$1,600
14. Walla Walla, fr flour mill: Liv. & Lon. & Globe . . .	\$500
Losses under \$500	\$10,568
Total Washington	\$29,395

Oregon.

25. North Powder, hotel, store and contents: Aetna	\$1,500
London & Lancashire . . .	667
13. Canyon City, lodge hall: Norwich Union	\$500
29. (Oct.) Union co., hay press, etc: Fire Association	\$573
7. Columbia City, hhd furni: Union Assurance	\$439
28. Portland, mdse in br bldg: Liv. & Lon. & Globe . . .	\$1,267
Losses under \$500	\$14,992
Total Oregon	\$19,938

Nevada.

1. Carson, fr dwg and contents: Liv. & Lon. & Globe . . .	\$1,121
Connecticut	560
Losses under \$500	\$1,273
Total Nevada	\$2,954

Idaho.

11. Wallace, hotel furni: Svea	\$500
Losses under \$500	\$293

Montana.

28. (Oct.) Bamrock, bldg & stock: Fire Association	\$1,197
6. Gallatin co., fr dwg & contents: Ins. Co. North America .	\$950
6. Garnet, fr ldg house & furni: Palatine	\$500
Lion	500
Phoenix, Hartford	500
Pennsylvania	500
Royal Exchange	560
3. Cascade co., hay: National	\$675
Losses under \$500	\$2,140
Total Montana	\$7,522

Utah.

4. Salt Lake City, dwg: Philadelphian Underwri .	\$2,000
Losses under \$500	\$1,961
Total Utah	\$3,961

Colorado.

20. (Sept.) St. Thomas, fr dwg and contents: Sun	\$600
3. Denver, dwg and contents: North German	\$667
15. Denver, barn and contents: North German	\$826
4. Minturn, mdse: Helvetia	\$804
28. Trinidad, dwg: National, Hartford . . .	\$1,000
2. Grand Junction, fr flour mill and contents: Royal Exchange	\$4,850
North German	2,425
Imperial	500
Palatine	2,494
13. Gunnison co., snow sheds, rails and ties: Imperial	\$775
Lion	775
Losses under \$500	\$8,730
Total Colorado	\$24,446

Arizona.

Losses under \$500	\$550
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New Mexico.

Losses under \$500	\$760
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Wyoming.

Losses under \$500	\$110
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British Columbia.

Losses under \$500	\$265
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Alaska.

Losses under \$500	\$25
Total Outside Territory . .	\$90,722

California.

8. Alameda co., fr dwg, hhd furniture: London & Lancashire . .	\$2,500
Greenwich	2,000
Northern	2,500
N. British & Mercantile .	1,200
20. Alameda co., dwg: Aachen & Munich	\$2,000
17. Amador co., fr barn & contents: Pennsylvania	\$700
8. Arbuckle, fr dwg: Palatine	\$1,000
Home	600
27. Bakersfield, hhd furni: London & Lancashire . .	\$623
18. Butte co., fr dwg and contents: Liverpool & Lon. & Gl. .	\$595
8. Chico, barn and hay: Royal	\$1,250
Phoenix, Hartford	1,000
Queen	1,000
8. Colusa, fr dwg, etc.:	
Commercial Union	\$1,200
1. Near Colfax, farm property: Fire Association	\$1,580
2. Chico, hhd furni: Fireman's Fund	\$750
5. Brooklyn, dwg: Fireman's Fund	\$800
4. Elmhurst, fr dwg: London	\$1,500
25. Fresno, stock groceries and building: Home Mutual	\$1,300
North British	1,000
London & Lancashire . . .	1,000
Fire Association	1,000
4. Fresno co., fr dwg: Svea	\$600
26. Hanford, frame agricultural works: Agricultural	\$ 818
Svea	1,113
American, Pa.	835
21. Gilroy, fr dwg and contents: Lancashire	\$500
North German	650
20. Lemoore, fr dwg and contents: Liv. & Lon. & Globe . . .	\$700
8. Linda Vista, furni in fr dwg: Royal Exchange	\$2,500
2. Los Angeles, fr dwg: Svea	\$1,500

22. Kingsburg, gen'l fire: Aachen & Munich . . . \$1,000 Hanover . . . 500 Liv. & Lon. & Globe . . . 6,864 Phoenix, Hartford . . . 1,768 Home Mutual . . . 2,246 Total . . . \$12,387	20. San Joaquin, dwg and conts: Law Union & Crown . . \$1,250 . . (Oct.) San Mateo co., fr bldg, etc.: Sun . . . \$760	12. Ventura co., fr bldg & conts: Milwaukee Mechanics . \$1,500 . . Willows, fr dwg: Hartford . . . \$500
6. Los Angeles, fr dwg: Ins. Co. North America . \$500 London & Lancashire . . 500	16. San Joaquin co., fr dwg, etc.: Sun . . . \$700	9. Tomales, hotel, store bldg & contents: Springfield . . . \$ 841 Westchester . . . 667 British America . . . 521 Fire Association . . . 1,600 National . . . 841
3. Los Angeles, conts fr dwg: Liv. & London & Globe . \$921	25. South Park, bldgs and conts: Home . . . \$2,123	Losses under \$500 . . \$40,106
30. Los Angeles, fr dwg, stable and contents: New Zealand . . . \$500	27. Santa Cruz co., fr farm dwg: Queen . . . \$500	Total California S. F. ex. \$161,553
24. Los Angeles, stock mdse: National . . . \$1,000 Springfield . . . 1,000	7. Sonoma co., dwg, barn and conts: Northern . . . \$808	<i>San Francisco.</i>
. . Mission San Jose, dwg and hhld furni: Phoenix, Hartford . . \$2,500 Home Mutual . . . 2,500 Ætna . . . 2,500 Hamburg-Bremen . . . 1,000	8. Tulare co., fr dwg and conts: Phoenix, Hartford . . \$1,047	23. General fire: National . . . \$3,921 Magdeburg . . . 3,000 Philadelphia Underw. . 5,000 Western . . . 2,500 British America . . . 3,500 Springfield . . . 2,976 Hartford Fire . . . 5,000 Milwaukee Mechanics . 1,500 Royal . . . 6,528 Thuringia . . . 3,044 Phoenix, Hartford . . 6,835 Connecticut . . . 1,366 Norwich Union . . . 4,500 Palatine . . . 8,500 Ætna . . . 1,000 Pennsylvania . . . 1,000 Transatlantic . . . 5,000
27. Merced, fr hotel and furni: German-American . . . \$825 Liv. & Lon. & Globe . . 750	16. Stockton, hhld furni: National . . . \$1,000	Royal . . . 7,008 Sun . . . 5,215 Caledonian . . . 1,000 Manchester . . . 3,372 Lancashire . . . 2,500 Franklin . . . 1,514 Royal Exchange . . . 1,000 Niagara . . . 3,000 Hamburg-Bremen . . . 1,225 London & Lancashire . 3,591 American, Pa. . . 1,528 Agricultural . . . 1,500 Svea . . . 528 Traders . . . 2,500 Aachen & Munich . . . 4,000 Hanover . . . 3,500 North British . . . 4,250 Greenwich . . . 3,250 Teutonia . . . 1,500 Merchants, N. J. . . . 1,000 American, Boston . . . 1,250 Mercantile . . . 1,250 Phoenix, London . . . 1,500
27. Merced co., hhld furni: German Alliance . . . \$475	5. Stockton, fr dwg: Transatlantic . . . \$2,100	Total . . . \$122,151
7. Nevada City, fr dwg: Royal . . . \$1,300	30. Stockton, fr dwg: New Zealand . . . \$500	26. Dwellings: Aachen & Munich . . . \$1,000 Hanover . . . 3,700 Hartford Fire . . . 2,000
22. Nipomo, bldg: Fireman's Fund . . . \$500	10. San Gabriel, store, bldg and drygoods: Scottish Union . . . \$ 750 Palatine . . . 2,000	27. Household furniture: Prussian National . . . \$600
16. Napa, dwg: Milwaukee Mechanics . \$1,910	30. Sacramento, dwg: Union, London . . . \$1,250	
4. Ontario, dwg conts: Ætna . . . \$1,173	. . San Joaquin co., fr barn and conts: Pennsylvania . . . \$2,860	
15. Ontario, fr dwg and contents: Liv. & Lon. & Globe . . \$500	4. San Rafael, slaughter house: Palatine . . . \$2,125	
5. Oakland, hhld furni: Hartford . . . \$600	19. Sutter co., fr barn: Royal . . . \$690	
23. Oakland, fr dwg and conts: Royal Exchange . . . \$1,100	8. Santa Monica, dwg: Ætna . . . \$500	
. . Placer co., dwg: Fireman's Fund . . . \$500	18. Santa Monica: Magdeburg . . . \$600	
15. Pasadena dwg: Franklin . . . \$700	31. (Oct.) San Gabriel, dwg and conts: Fireman's Fund . . . \$1,280	
17. Pasadena, fr dwg: Lancashire . . . \$500	10. Selma, fr dwg: Palatine . . . \$500	
8. Redlands, hhld furni: Fireman's Fund . . . \$1,500	11. San Jose, fr dwg and conts: Scottish Union . . . \$2,000 Connecticut . . . 2,500	
. . Redlands, dwg: Niagara . . . \$1,300	25. Saratoga Springs Lake co., fr hotel and contents: Norwich Union . . . \$1,440 Thuringia . . . 1,440 Phoenix, Hartford . . . 2,800	
11. Riverside, adobe dwg & conts Caledonian . . . \$660	7. Yuba co., fr dwg: Royal . . . \$1,050	
28. Red Bluff, fr dwg: Alliance . . . \$1,150	28. Tulare, barn: Atlas . . . \$1,398	
3. Santa Clara co., fr dwg: Alliance . . . \$1,000		

21. Brick bldg and mdse:	German Alliance	1,085	Orient	84
Hartford Fire \$ 500	German-American	2,710	Palatine	20,991
Liv. & Lon. & Globe 500	Greenwich	5,691	Pennsylvania	4,397
22. Chinese mdse:	Hamburg-Bremen	4,232	Philadelphia Underwrit.	7,027
Royal Exchange \$600	Hanover	9,360	Phoenix, Hartford	17,367
7. Stable contents:	Hartford	12,430	Phoenix, London	2,523
Hamburg-Bremen \$1,250	Helvetia	818	Providence-Washington	875
Losses under \$500 \$13,099	Home, N. Y.	4,057	Prussian National	1,943
Total San Francisco \$135,850	Home Mutual	7,491	Queen	9,176
Total California . . . \$310,103	Imperial	2,617	Royal Exchange	11,625
Total Pacific Coast \$400,825	Ins. Co. North America	2,592	Royal	13,948
<i>Losses by Companies.</i>	Lancashire	5,286	Scottish Union & Nation'l	3,993
Aachen & Munich . . . \$ 9,755	Law Union & Crown	1,875	Springfield	6,778
Ætna	Lion	2,772	St. Paul	879
Agricultural	Liverpool & Lon. & Globe	16,576	Sun, London	9,395
Alliance	London & Lancashire	12,184	Svea	6,322
American, Boston	London	5,616	Teutonia	2,147
American, N. J.	Magdeburg	4,169	Traders	3,025
American, N. Y.	Magdeburg, N. Y.	100	Transatlantic	7,874
American, Pa.	Manchester	5,269	Thuringia	6,869
American Central	Mercantile	1,168	Union, London	3,026
Atlas	Merchants	3,575	Union, Pa.	97
British America	Milwaukee-Mechanics	6,327	United States	70
Caledonian	National, Hartford	10,547	Williamsburg City	625
Commercial Union	New Zealand	2,120	Westchester	667
Connecticut	New York Underwriters	503	Western	3,787
Fire Association	Niagara	6,906	Total	\$400,825
Fireman's Fund	Northern	1,019	To DATE this year . \$5,420,479	
Franklin	North German	5,451	To DATE last year . \$3,914,876	
	North British & Mercant.	8,745		
	Norwich Union	6,690		

The Question of "Living Longer."

(From Scribner's Magazine.)

One of the minor surprises of the war has been the discovery of the militia's unpreparedness for war physically, although the militia is made up of "selected risks," as the insurance men say. When it has come to passing upon such "selected risks" in recruiting for the regular army there is even greater surprise at the large per cent. of rejections by the examining surgeons. For example, a correspondent writing from Buffalo to the *Toronto Mail*, in explaining to Canadian readers the apparent slowness of recruiting under the president's call, states that out of seventeen applicants for the Thirteenth Infantry (regulars) in one day only one was accepted, and of twenty-seven applicants on another day all were rejected. This correspondent puts the average of successful applicants for the regular army at about ten per cent. of all who apply at Buffalo. Per contra, it may, of course, be urged that the chief practical value of such thorough examinations applies to the selection of men to endure extraordinary conditions, and that all examinations, such as those of the insurance companies,

give the fortunate who pass them but a limited assurance of physical soundness, a limit usually put at three or four years. Indeed, there are insurance authorities who claim that if a company could insure every man, without exception, who in twenty-four hours passed its office door on some crowded thoroughfare of a big city (say Broadway, New York), it would have a class of risks equal, if not superior, to any set of risks however scientifically selected. So little dependence is to be placed on the staying quality of duly authenticated health.

All this goes to illustrate a fact anyone will individually discover who is curious to satisfy himself concerning it—that we moderns, with all the attention we pay to insurance and kindred questions, are in no position to state positively whether or not we "live longer" on the average than did our ancestors: whether under civilization the average length of life is materially increasing. Another peculiar thing about it is that there are two popular impressions regarding it which are absolutely contradictory. The more popular of these, the prevailing impression, is that of course our ancestors lived longer on the

average, since they were hardier to begin with, and led simpler and therefore more healthy lives—in short, were not enervated by civilization. This impression is strengthened by currently accepted phrases about the "Fathers of the Revolution," the "Pilgrim Fathers," etc., when the truth is, of course, that in general these "fathers" were not venerable personages at all in the modern sense, being either young men or in the prime of active life. Thomas Jefferson at thirty-three, writing the Declaration of Independence, comes nearer to being a type than an exception. Others who hold this view are a little more superficially scientific, and claim that the better sanitary conditions of modern life—including advance in surgical and medical treatment and the minor preservative devices, such, for example, as the extended use of rubber to protect against dampness—perpetuate the weak and sickly who in older days would have died, to the deterioration of the vigor of civilized peoples. The recent discussion of the Dum-dum bullet in England, as to whether or not a deadlier bullet is needed for warring on savages than on civilized enemies (one that kills instead of simply wounding, because a savage foe must be killed to be put surely *hors de combat*), is a unique tribute to the superior vitality of the uncivilized.

On the other hand, many people who have read current popular articles of generalized misinformation have gained a strong impression that under the conditions of civilization the average length of life is constantly and appreciably increasing. There is an interesting story current, which may or may not have a basis of fact, that late in the eighteenth century the British government, having learned the profit of annuity ventures for revenue from Holland, the pioneer in this form of insurance—an inheritance from the Dutch days of William and Mary—discovered that its annuitants were living too long to be profitable, or in other words, that their average age was unexpectedly lengthening. The impression or belief this story illustrates is put with exactitude, not only in newspapers, but, for example, in a book of the standing of Sauvier's "Annals of the British Peasantry," in the statement that "the average longevity of the people [of England] increased from twenty-five years in 1780 to forty-one years in 1850." But the fact is, comments Mr. Frederick L. Hoffman, the insurance authority, "that it was the average age at death which had increased so materially,

while the average duration of life had probably increased less than five years, or, at the most, say ten years." The confusing of these two as meaning the same thing—when a high average age at death is determined often by the large number of old people who die in the given period, or a low average by the prevalence of some disease fatal to the young—accounts principally for the confused notions of many popular writers on the subject. Obviously, the only accurate way to reach a conclusion is to compare the number of survivors at a given age at different periods. Such a mortality table for England and Wales, covering the ages of one million persons in each of the two periods, 1838-54 and 1881-90, and from the age of five to that of one hundred, shows a decreasing advantage in average duration of life down to the age of eighty, when the advantage passes over to the ancestors. Mr. Hoffman says that no such table exists in any state or city in America.

FOREIGN.

The Norwich Union Fire has absorbed the North of Scotland Fire.

Frederick William Pascoe Rutter will succeed Mr. Fothergill as manager of the London & Lancashire.

Rev. Stephen Tyng, long in Paris, for the Equitable once and latterly for the Mutual Reserve, is dead.

There is such a thing as "The Presbyterian Church in Ireland Fire Ins. Trust, Ltd." It had no loss last year.

The notorious Philip Sayle, several years ago identified with English insurance ventures, committed suicide recently.

England has a joint grocery and insurance company, called the London & Provincial Sickness Insurance Tea Company, Limited, the object of which is to insure against sickness and accident and buy teas and groceries.

Henry Wynne Presley, formerly with the Cologne Reinsurance Co. in Cologne, has been appointed to an important position by General Manager Schroeder of the Aachen & Munich Fire Ins. Co. Assuperintendent of the foreign department in Aix La Chapelle Mr. Presley is well known to London insurance men, having been connected with the General Life and Fire Assurance Co. for ten years.

Truly a Benefactor.

Men lecture, preach, write—all for the benefit of their fellow-men, as they understand that benefit. No doubt they do good, and should have their reward. But there is another class of men—very different, equally modest, without any pretension of doing good, who are likewise the benefactors of their kind, without any expectation of reward in another world for the very practical good they do in this. We refer to life insurance solicitors, who certainly do a vast deal of good.

The life insurance solicitor is a real missionary—making converts, softening the hearts of men, laying the foundations of enduring affection, and reducing the sum total of poverty.

Helvetia Swiss Marine Combined.

This large aggregation presents totals which receive the entire confidence of the owners and placers of marine risks. With a capital of \$4,000,000 and with large accumulations and corresponding surplus, the Helvetia Swiss Marine Combined is in a position to command quality as well as quantity of business, and makes a good showing in its departments. On the Coast, under the successful management of Syz & Co., the Helvetia Swiss Marine writes the largest amount of risks and is second only to our great local company in amount of annual premiums. The business of the Pacific Coast department was very profitable last year, and the loss ratio was far below the average for all companies.

United States Fires in 1898.

The following compilation presents the approximate monthly property losses by fire in the United States during the past three years:

	1898.	1897.	1896.
January . . .	\$ 9,000,000	\$ 11,700,000	\$ 11,000,000
February . .	12,400,000	8,900,000	10,100,000
March . . .	7,500,000	10,700,000	12,200,000
April . . .	3,100,000	10,900,000	12,000,000
May . . .	10,900,000	10,200,000	10,200,000
June . . .	9,300,000	7,500,000	7,300,000
July . . .	9,800,000	7,900,000	10,600,000
August . .	7,900,000	8,400,000	10,200,000
September .	14,000,000	10,900,000	9,000,000

October . .	7,400,000	10,000,000	9,800,000
November .	*10,000,000	9,100,000	7,000,000
December .	. . . .	11,000,000	11,500,000
Totals .	*\$116,000,000	\$117,200,000	\$120,300,000
*Estimates.			

RECEIVED.

Review of Life Insurance. Address by President McCall of the New York Life, before Ins. Commissioners' Convention. Handsomely bound, "with compliments, etc." Liberal quotation elsewhere.

Canada Ins. Rep. Bound volume, 1897. W. Fitzgerald, Supt. We note that the following British offices not in this country: British Empire Mutual Life, Edinburgh Life, Life Association of Scotland, Reliance Mutual, Royal Victoria, Scottish Amicable, Scottish Provident, Standard Life, Star Life—all life companies.

EX-PRESSINGS.

I have one word to say upon the subject of pro. found writers, who are grown very numerous of late. I conceive, as to the business of being profound, that it is with writers as with wells—a person with good eyes may see to the bottom of the deepest, provided any water be there, and that, often, when there is nothing in the world at the bottom, besides dryness and dirt, though it be but a yard and a half under-ground, it shall pass, however, for wondrous deep, upon no wiser a reason, than because it is wondrous dark. DEAN SWIFT.

Insurance Post. The abuse of "competitive rates" goes on. Some prominent agents of the West, including several Chicago agents, have reduced it to a science. They go to the managers of the factory mutuals and get them to write letters to property-owners which can be used upon the stock companies to obtain reduced rates. In at least one case, a well-known Chicago agent thus used a letter written by a mutual company which never reached the property-owner to whom it was addressed. There should be no "competitive rates." If ever there is rate equalization, all this will be changed. Then, rate-cutting will bring its own reward; then, the tariff companies will be able to sit back on their haunches and contemplate the goings-on of the rate-cutters with heroic fortitude.

New York Superintendent.

Insurance Times. Supt. Payn of New York. As an official he has filled the position as the head of the insurance department creditably. He has refused to allow himself to be used to the advantage or disadvantage of anybody. He defeated an iniquitous Lloyds bill which

was passed by both branches of the legislature. He has stood by the rights of the life companies in their relations to foreign countries, and he has refused to take sides in the proposal to add burdens to the foreign companies. He promptly reported the scandal in the affairs of the Lincoln Fire to the district attorney, and there is not even a suspicion of wrong-doing in any of the operations of the office.

Jewish Vitality.

Insurance Observer, London. Jewish actuaries have attained considerable fame in their profession, but they appear to lack somewhat of the quality of enterprise. Why is not a society founded for the assurance of the Hebrew race all the world over? Such an undertaking ought to have a fine future before it, if all we are told about the longevity of the Jews be true. In early days, so a statistician informs the world, their vitality is immense. Out of 100,000 born on the same day, only 13,844 will have died at the end of five years, as against 24,699 English, and 26,912 American children who will have joined the majority. At fifty years of age the comparative total mortality will be: Jews, 26,519; English, 49,099; and fifteen years later 37,442 and 66,110 respectively. Passing on to the extreme age of 85, the departed will number 74,865 in the one case, and 94,434 in the other. In other words, the surviving armies will number 25,135 and 5,566. We do not pretend to say that this is true, but, like many other strange things, there may be something in it.

THE *Coast Review* appears to have incurred the displeasure of the *Vindicator*. It is evident, however, that our contemporary knows nothing of the San Francisco or other record of the Adamless Eden Caverly, else we should invite it to vindicate that Bella Union purveyor.

THE receivers of the Massachusetts Benefit Life Association filed their report last month. The 140 suits have been settled. There are 298 death claims amounting to \$924,812, and 65 disability claims, amounting to \$59,912. The receivers have \$263,384 and will at once pay 20 per cent.

ARMY MORTALITY.—Col. Chas. Smith, deputy surgeon-general of the American army, confirms the conclusions drawn by the October *Coast Review*. The total army strength was 270,000 men, and the average death rate for five months was 7 per 1,000. For the corresponding first five months of the civil war the

death rate was 17 per 1,000. It now transpires that of the 1,490 men wounded in the Santiago campaign the death rate will be abnormally low. The low mortality from wounds is due partly to mauser bullets and largely to improved surgical methods, as compared with civil war times.

The Seamy Side of Life Insurance.

(From the Review, London.)

The sale of annuities, formerly confined to usurers and goldsmiths, had become a common practice. Little was known of the liabilities incurred by those who granted annuities. Many wealthy men were ruined for the same reasons that led to the troubles of the Mercers' Company. The thieves that infested Change Alley had no scruples; as long as they got the capital sum paid down, they would grant an annuity to anybody for any amount and on any conditions. Then when the crash came, the victims got nothing. Francis, writing in 1853, says "the frauds which now attend loans of money to spendthrifts are nothing to the scale on which annuity frauds were carried on. The borrower was always the victim; he had to take his consideration, not in cash, but sometimes in consols at an enhanced price, or in the shape of a bill of lading for second-rate merchandise. A banker would give him long-dated bills, and probably be bankrupt before these bills became due." Tradesmen who carried on the business of money-lending would give jewelry even.

David Cunningham was a prominent representative of the fraudulent financier. Born in Inverness, he ultimately came to London after a chequered career. Starting as a schoolmaster, he what is called "sat under" Whitfield and Wesley, and in time developed himself into an unctuous preacher and praying apostle. Making himself popular with wealthy and elderly men and women, he started an annuity company on a new principle, for indigent persons and widows. It was to be partly self-supporting and partly philanthropic, so that annuities bought by the poor would be aided by the charitable contributions of the rich. Dr. Price had, however, in his publication not very long before, dispersed an immense number of fallacies and clouds which had enveloped the insurance business; but Cunningham, by working on the philanthropic side of the question, established the Imperial Annuity and Charitable Pension Society.

It is, again, a bitter satire in these present days of Hooley revelations, to find that Cun-

ingham was also able to secure peeresses to herald his speculations, and he pointed to a long list of patrons, some of whom subscribed, and some of whom did not, but all of whom certified the respectability of the institution. Even as Mr. Hooley, he gave great parties; he contrived to make a name, and in a certain class of the aristocracy he was held in high esteem. But the difference, however, is, that whilst the principal fault of Mr. Hooley was that he—to use a racing expression—“could not stand beans,” and that whilst he might have made a good retail dealer, or even a Whiteley, he could not carry guns enough for *la haute finance*, David Cunningham was a deliberate swindler. The publication of Dr. Price’s book led to questions being asked. Anticipating trouble, he drew such money as he could command in gold, and took ship for Ireland, which was fortunately wrecked, and amongst the dead bodies was one supposed to be that of David Cunningham, the founder of the Imperial Annuity and Charitable Pension Society.

The case of Robson of 100 years ago was not quite the same as that of Hubert Birkin of today. It is steadily maintained by those who ought to know, that this unfortunate young man was examined over and over again during a period of nearly two years while the loan negotiations were being conducted. There are several medical reports extant from men of the highest standing, stating that, physically, Birkin showed no flaw, and was sound in wind and limb; heart normal and sound; fine appearance, and no trace whatever of any alcoholic excess. And for what his own evidence is worth, Birkin still maintains, that he was not addicted to what are called “drinking habits” before the insurances. It is, however, indisputable that from the moment he was insured, everything altered. He was urged to every kind of excess, and every means of developing any latent taste for alcohol he may have had, was adopted. Then the cocaine commenced, and following on that, whisky *ad libitum*. At the present moment he is in a pitiable condition, and it is possibly best, in the interests of justice, that he should have a temporary rest.

Mr. Thomson says that he does not “claim that every physical action that happens to the parent, that every art or trick he acquires, is handed on to the child, but that it is very difficult to account for the progress of life on earth from protoplasm to the most highly developed human beings, by the process of

variation and selection, without the additional hypothesis, that the variations are caused by some characteristic which the parent has acquired from without, and which, under favorable circumstances, he has the power to transmit.” It would be of interest to trace the physiological causes of the actions of highly excitable persons like Hubert Birkin, and to learn how suddenly such sleeping devils have been let loose, as in this most lamentable case.

We call attention to the celebrated case of *Godsoll vs. The Pelican*, in 1803, the policy being on the life of William Pitt, who, as is well known, died insolvent. The state paid his creditors, but Messrs. Godsoll, having a policy on his life assigned to them as security for a debt, claimed the money from the Pelican. It was held by Lord Ellenborough that the plaintiff’s had, on the life of Mr. Pitt, a creditor’s interest, which was an insurable one, and to insure against the probability of loss which might result from his death. But as the debt was paid, Lord Ellenborough found for the Pelican on the ground that the plaintiff had no subsisting cause of action on a point of law in respect of their contract, and entered a verdict for the insurance company. This question of insurable interest is one of the most vital importance at the present day. Francis writes:—“But had the Godsolls carried their point, every creditor might have insured the life of his debtor, and received a double payment of his debt. Every tradesman in London might have speculated on his customers’ health, and an act which was to destroy gambling policies would have been practically repealed.”

Communication.

Mr. Editor:—The *Coast Review* is quite right. “Danger” is remunerated by commission only; but this has nothing to do with the question at issue. “Dauger” contends that the excessive commissions paid under the guise of salaries to Tom, Dick and Harry will break the Board and throw the business on this Coast into a chaos, compared to which the present condition in New York will be child’s play, because we have more companies on this Coast than business to go round. “Danger” trusts that the executive committee will take up this question and put us all on the same level or be responsible for the consequences. Loyal [commission basis] companies have stood this strain long enough, but with the new year a change of mind may take place and present rules will

be simply disregarded. "DANGER." [Would it not be more to the point for our correspondent to suggest a practicable way to meet cut rates in San Francisco, where the seat of the complaint is? Salaries are not the special privilege of any company.—Ed.]

The McMinnville Mutual.

Just as the *Coast Review* was sending its last forms to press, for the November number, a letter was received from "a stock company agent," replying to an article criticising the annual statement of the Fire Relief Association of McMinnville, Or. As it is the invariable rule of this journal to give both sides a hearing, "Stock Agent's" letter is printed herewith.

We thought we stated plainly that our criticism of the association's condition was based on the official report for only one quarter. This limited experience we assumed to be prophetic of the future, because the McMinnville mutual, being young, is only beginning to experience a normal loss ratio. In stock fire insurance the new company is always expected to have a low loss ratio until it is well established; and this fact is recognized in the law which fixes a liability for unearned premiums, sometimes referred to as the reinsurance reserve.

Our correspondent complains that there are several inaccuracies in our review. Possibly, but he does not point out any serious errors. For example, we said the applicant for membership in the mutual must pay a \$3 fee. Our correspondent corrects us. The membership fee is only \$1; but in the next line he says the applicant pays in addition "\$1 for certificate fee and also an advance assessment, amounting to 25 per cent. of the annual premium estimated at board rates." We submit that this "inaccuracy hardly deserved the attention given it; for it transpires that the advance payment required of the applicant is considerably more than the \$3 stated.

"Stock Agent" also errs, for he says the certificates in force were only 7,590, whereas, we repeat, the association's report shows 9,804 in force. He errs glaringly

when he says that the board rates would be \$50,452.59, instead of \$25,200 as stated by the *Coast Review*. Our figures are based upon Rate Book 4 and farm barns, and the amount \$25,200 does not include the lower board rates on dwellings and barns which properly come under Rate Book 3. "Stock Agent" double estimates our over estimate. He makes his mutual client look well on paper, thereby—but the fact remains that it will cost more to insure in the mutual than in a stock company. A later report of the mutual again shows increased losses.

We can not deal seriously with an estimate of \$56,948 at annual board rates, when the basis should be term rates or three years' premiums for five years' insurance; and, as we have pointed out, the estimate is about 50 per cent. out of the way at best.

Another point made by "Stock Agent" is misleading. To obtain the five-year board rates, he says, the members of the mutual would have to pay in advance an amount which would earn \$10,250 per year at 6 per cent. His estimate of board rates is twice the actual amount, and therefore at 6 per cent. interest, if invested one year, the earning would be only about \$5,000. Again, there can be no such sum invested by the members, nor by stock companies either, for money is required from time to time to pay expenses and losses.

It is a mare's-nest which our correspondent has discovered. His arguments as advocate for the mutual are specious, his "facts" are fiction, his figures are distorted; and when the McMinnville mutual goes to pieces he will rejoice over the withholding of his name from his letter printed below:

Editor Coast Review: My attention has been called to an article in the October number of the *Coast Review* with reference to the McMinnville Mutual or Oregon Fire Relief Association. I have been a representative of stock companies for several years and have always regarded the *Coast Review* as a reliable source of information, and have thought you took all things in their true light. There are several inaccurate statements and figures in this

article which do the association referred to a great injustice and which, I believe, you will be glad to correct. My home being in the home county of this association and being an agent for some reliable stock companies, I have naturally kept posted as to the workings of the institution referred to.

The basis of your report is evidently taken from the July report of the Oregon Fire Relief Association, as the amount of losses given is the same as given in that report, though I do not find any other figures that exactly correspond with this report. Now the association referred to takes the insurance rate used by the board and estimates the annual premium, according to these rates, as the basis for all assessments. Their applicants for insurance are required to pay a membership fee of \$1.00 and not \$3.00 as stated in your article. In addition to this they are required to pay \$1.00 for certificate fee, and also an advance assessment amounting to 25% of the annual premium estimated at board rates. The July report showed that they had 7,590 certificates in force and not 9,804 as stated in your article, and that the annual premium as the basis for assessments on these certificates amounted to \$50,452.59. This makes an average annual premium, on each certificate, of \$6.64 and an advance assessment of \$1.66. This shows the original average cost to each member to be \$3.66 or 66 cents more than claimed in your article. Their certificates must be renewed every five years, but no new membership fee is required. This makes the average cost for renewals 53 cents. The by-laws of the association require that the expenses be kept within the receipts from membership and renewals. This really requires them to keep their expenses below 53 cents per member, making an expense ratio equal to 8% of board rates, and by referring to their report you will find that their expenses for the quarter were considerably less than the advance assessments.

In reference to their losses you state that their quarterly report shows a loss ratio of 67½% of board rates. The losses during the quarter as shown by their reports was \$3,771.90 and if the same loss ratio should continue throughout the year the losses would amount to \$15,087.60. As before stated, their report shows that the annual premiums on insurance in force at board rates would amount to \$50,452.59, which would indicate a loss ratio of 29.7% of board rates. It is hardly fair, however, to judge the loss ratio of any institution by a single three months' record. By refer-

ring to the annual report of the association issued for the year ending Oct. 8, 1898, I find that their losses for the year amounted to \$7,875.20, which shows that the losses for the other 9 months of the year amounted to but little more than for the three months as shown in the report you refer to. The annual report shows the annual premium on insurance in force at board rates to be \$56,948.44 and losses reported would show the loss ratio for the year to be 14% instead of 67½% as estimated in your article. Add to this the maximum allowed for expenses and you have the cost to the members 22 per cent. of board rates, instead of 102.7% as estimated in your article. The annual report also shows the amount used for expenses to be less than their allowance by more than \$1,000. The above estimates are based on board rates for a single year. If we take 3 or 5 year rates in comparison it will make a difference. But in making a comparison with these it is but fair to make some allowance for the interest on premiums required to obtain the three or five year rates. For the members of the Oregon Fire Relief Association to obtain the 5 years rate on the amount of insurance in force would require an advance payment of \$170,-\$45.32. Interest on this at 6% would amount to \$10,250.72 per year. Taking this interest into consideration it would cost the members of the association for their insurance at the five year board rates, \$44,419.78. The maximum annual expense ratio in the association is 1-5 of the cost of renewals or \$4,543.02. Add to this the losses for the year, \$7,875.20 and you have a cost of \$12,418.22. From this it will be seen that the annual interest on the five years premium only lacks \$2,167.50 of paying all losses and the average maximum annual allowance for expenses, and that the members of the Oregon Fire Relief Association have had their insurance for less than five year board rates by \$32,001.56.

It is not the purpose of this article to enter in a discussion of the merits of mutual vs. stock company insurance but simply to correct misleading statements. I am an advocate of "insurance that insures." I have represented board companies for several years, and during which time there has never been a loss by fire to property insured by me, and I have never misrepresented other institutions to secure business.

S. A.

NOT ASSURANCE.—In "A Tale of a Tub," written two hundred years ago, Dean Swift sarcastically wrote: "Another very beneficial project of Lord P's was, an office of insurance

for tobacco-pipes, martyrs of the modern zeal, volumes of poetry, shadows, and rivers; that these, nor any of these shall receive damage by fire. From whence our friendly societies may plainly find themselves to be only transcribers from this original; though the one and the other have been of great benefit to the undertakers, as well as of equal to the public."

Baldwin Hotel Not a Redwood Building.

The *Post Magazine* of London, usually well informed and carefully edited, is responsible for the following bit of nonsense:

"Baldwin's theater and hotel, San Francisco, was alluded to in our issue of 26th February last. Quoting the Boston *Standard*, we drew attention to the highly dangerous character of this, as well as other theaters in San Francisco. The hotel was six stories high, forming an important city block in itself with its theater in the very center. It was built entirely of California redwood, etc., etc., etc."

Not only was the Baldwin *not* "built entirely of redwood," but the parts built of redwood were the only parts which escaped with merely slight damages. The only parts of the building built of redwood were the bay-windows. The outer walls, pierced by numerous windows, were built of brick, and at the present writing are still standing. The redwood bay windows—a long block of them on Powell and a half-block on Ellis, and also on Market street where demolition has not been completed—stand out distinct, upright and shapely, without a hint of the ruins behind them. The graceful columns of these bay-windows, which look like iron and were undamaged by the flames, are redwood.

The theater and other parts of the building were partitioned by brick walls; but the flooring and finishings throughout were pine. There was virtually, so far as fire hazard is concerned, not a stick of redwood in the building. As already stated, the little redwood used in construction was in the bay-windows.

Redwood burns, it is true, but it burns very slowly, and does not ignite easily. It is soft wood, and is not the best material for building purposes. It is porous and non-resinous, however, and

chars quickly and absorbs water freely. From the fire underwriters' point of view it is therefore ideal building material. If the Baldwin had been built entirely of redwood the flames would doubtless have been quickly extinguished and nearly all the building saved. Our London contemporary must "eat crow."

Rates were so high on the Baldwin, owing to its interior construction, that the proprietor refused to carry any insurance. Recently, however, he placed \$50,000 to secure a mortgage. As the hotel was built twenty-two years ago, Mr. Baldwin has saved in premiums the amount of his loss. But unfortunately for Mr. Baldwin, he has not saved the premiums thus "saved."

The Denver Conference.

The supervising committee of the Colorado, Wyoming and New Mexico Associations met in Denver, November 15, and were in session four days. The conference was fruitful of important legislation.

The term "general agent" was defined by the supervising committee as follows:

A general agent is a person, firm or corporation controlling one or more states, including Colorado; who receives and passes upon daily reports and applications from local and sub-agents; who keeps a complete record of all transactions in the territory of the general agency; who has the power to appoint and remove local and sub-agents throughout the territory, adjust losses, and otherwise perform the usual duties of a general agent as distinct from the duties ordinarily performed by a local agent.

December 1 was set as the date after which the maintenance of a general agency not in conformity with the foregoing definition will be regarded as an evasion of the association agreements. It was also declared to be an evasion for a general agent to compensate local and sub-agents in other manner than in accordance with said agreements; and likewise an evasion for a special or for several specials, occupying a room, to pay an excessive rent for same; and \$15 monthly rent was set as the limit for a special to pay for desk-room in a local agent's office.

A credit rule is to be formulated by the members of the committee from the Pacific Coast, and recommended for adoption to the two organizations having jurisdiction in Colorado, Wyoming and New Mexico.

Denver interests received special attention. Standard walls as prescribed by the city building ordinance were substituted for those of the universal mercantile schedule. A new dwelling schedule was recommended to the manager, the minimum to be 30 cents on B and B C class and contents, 40 on C, 50 on C D and D, with discontinuance of the exposure charge on dwellings rated under minimum tariff. Existing policies may be canceled and re-written for the original term.

The locals are to be consulted as to decrease of rates, and the co-operation and approval of the agents controlling two-thirds of the business will be sought by the manager.

Death of Manager Wensley of the Manchester.

Geo. W. Wensley, manager of the United States department of the Manchester Fire Assurance Company, and president of the American Fire Insurance Company of New York, died suddenly on December 6, of pneumonia. In the morning of the day of his death he seemed in a sure way of recovery, but a change for the worse was followed by sudden death. Mr. Wensley recently visited San Francisco, where he met a number of Coast underwriters.

Big Broadway Blaze.

Fire broke out in a clothing store at the corner of Warren and Broadway, New York, on the night of Sunday, December 4, and spread with destructive effects. The fire originated in an old five-story brick. The contiguous building on the north was the modern fire-proof skyscraper—the Home Life building. Fire was communicated to the Home Life building through shutterless windows opening into the elevator shaft. The upper eight floors were badly damaged; the lower eight floors were hardly

scorched. The loss on the building was fully covered by insurance written in the recent rate war at ten cents for five years, without the co-insurance clause.

The daily press reports of the loss were of course grossly exaggerated: but it is probable the insurance loss will be more than half a million.

The lesson to be drawn from this fire is that "fire-proof" buildings must have fire-proof shutters to windows above lower contiguous buildings.

This Year's Coast Fire Losses.

Our Coast totals, as reported to us by the various general agencies and departments in this field, are as follows:

To December 1, 1897	\$3,914,876
To December 1, 1898	5,420,479
Increase in 1898	\$1,505,603

Our California totals are:

To December 1, 1897	\$2,442,584
To December 1, 1898	3,149,213
Increase in 1898	\$ 706,629

According to these figures, the increase in this field is about equally divided between California and Outside Territory.

Estimating the Coast fire losses for 1898 at \$5,700,000 and the Coast fire premiums at \$10,000,000, we have an average Coast loss ratio of 57 per cent. But will the Coast premiums amount to ten millions? There will be an increase, but some seven hundred thousand of the gain will be term renewals, which will make the actual Coast loss ratio over 60 per cent. The losses for the year will be the largest total since Conflagration Year 1899.

The California loss ratio will probably be about 60 per cent. of the premiums; but as about \$600,000 of the premium increase will be unearned, the real California loss ratio will average over 65 per cent. on the year's business.

STATE INSURANCE was an issue in the Kansas campaign. The populists favored fire insurance by the state, but opposed state life insurance because many of the leaders were officers of fraternal societies. Well, look at the returns! The people of Kansas voted overwhelmingly against the

politicians' scheme for state insurance, and against the blackmailing insurance superintendent, whom the candidate for governor pledged himself to re-appoint.

Home Life Building Loss.

The big fire in New York, December 4, damaged the lofty Home Life building and contents to a considerable extent, but the loss was fully covered by insurance. The Home Life loses nothing.

Coast Fire Business Blanks.

The usual blank forms will be sent out from this office on January 2. Managers are respectfully requested to have these blanks filled and returned to the *Coast Review* office as soon as convenient. In this way we shall be able to lay before the insurance public the California figures about January 16 and the Coast figures at an early date thereafter.

The Providence-Washington Insurance Company.

In a few months this very old American company will have completed its first century of existence. It was organized in 1799, and in two weeks we shall have to date our letters 1899.

The Providence-Washington is a very strong, prosperous company, with a big handsome net surplus of some \$400,000 and a policyholders' surplus of some \$800,000. The business of the company is excellent and of paying quality, and is increasing in volume.

Butler & Haldan are the general agents for the Pacific Coast. This long established and successful firm also represents the Phoenix of London, another old company.

"Versicherung der Obstbaume gegen Hagelschaden" that is to say, insurance of fruit-trees against damage by hail storms—is a variety of German indemnity. It is not very successful, being restricted to fruit-trees; and it is now proposed to extend the hail indemnity to the various products of the soil, cereals and vegetables as well as fruit.

THE MUTUAL BENEFIT's general agent

for New York, W. W. Byington, died last month, aged 58.

Ed. E. Potter, General Manager.

The Pacific Coast departments of the Franklin Fire Insurance Company and the Williamsburg City Insurance Company, having headquarters in San Francisco, are under the general management of Ed. E. Potter, the well known fire underwriter. Mr. Potter is also the resident secretary of the City Trust, Safe Deposit and Surety Company, a strong guarantee company.

The Franklin Fire shares in a liberal degree the confidence felt in all the stanch old Philadelphia fire offices. It has a net surplus of \$1,107,736—not far from three times the amount of its capital. Such security is extraordinary.

The Williamsburg City Fire, of New York, is one of the older American companies. It has nearly a million net surplus, and could therefore, without impairing its capital, do a losing business for years, if such a thing were possible. But the Williamsburg City has always made money, and nobody doubts it will continue to do so.

The City Trust, Safe Deposit and Surety Company, of Philadelphia, has \$2,768,690 assets, of which \$500,000 is paid-up capital. It becomes surety for officers and employes generally, and is approved by the courts as sole surety where bonds are required.

It is not necessary for us to add that Manager Potter makes money for all his companies.

Wildcats.

Editor Coast Review :

At the suggestion of Mr. ——— I take the liberty of writing to you in order to elicit some information as to the status and standing of the following companies, viz :

Atlas Insurance Society of Paris,
Merchants Insurance Co. of Charleston, W. Va.,

The Great Britian Ins. Corporation of London, England,

British & American Exchange Association of London, England,

The London Fire Office of London, England,

Northwestern Fire Ins. Co. of Chicago.

All these companies appear to be represented in New York and issue policies covering property on this Coast; so any information concerning their standing and mode of settling losses will be much appreciated.

Respectfully, ———.

All the foregoing companies are irresponsible schemes, against all of which we do not hesitate to warn property-holders and insurance agents.

"Keep Your Money at Home."

A good joke on Heber J. Grant is conspicuously posted up all over the city and state. His insurance company has sent broadcast a plain, printed calendar headed "Keep Money at Home by Insuring," etc., and down below, in smaller type, is a legend showing that the calendar was printed by an Eastern house. There are a dozen and more local establishments that could duplicate the work.—*Daily Tribune*, Salt Lake City. The above refers to the Home Fire of Utah, of which Mr. Grant is the foundation.

A Beautiful Memorial.

The Fire Underwriters' Association of the Pacific adopted the eulogistic memorial resolutions of the late W. J. Brodrick, as drawn up by Col. C. Mason Kinne, chairman, and approved by the other members of the committee, Tom C. Grant and Geo. F. Grant. These resolutions, together with a brief sketch of the busy, successful life of the deceased, were most artistically penned and bound, and sent to the family of Mr. Brodrick. The memorial is composed of about twenty broad leaves of heavy paper, with portrait, bound in embossed card-paper covers and tied with a ribbon of a color appropriate to the age of the deceased. The color of the cover paper blends harmoniously with that of the broad ribbon knotted at the side. The cover-corners are tipped with silver. The pen-text work is by H. W. Mortimer, who has been employed in the Liverpool & London & Globe office for the past twenty years. The pen work is remarkably excellent. The entire memorial—paper and pen-text, and the sentiments and phraseology of the resolutions of respect—is a beautiful offering, which does honor to all concerned. We quote briefly from the resolutions as follows:

The example of a well spent life can somewhat reconcile us to its ending. Mr. Brodrick's whole

career has been marked by probity of character, earnestness of purpose, and strict adherence to upright business principles. He was always a consistent and earnest advocate of correct [underwriting] practices. As a business man he was sagacious and tactful. His counsel, often needed and freely given, always carried weight. Our friend and associate was a genial gentleman, always generous, ever just, and yet withal so quiet and unobtrusive that only his intimate friends knew his many personal merits.

Portland Jottings.

General Agent Tom C. Grant has favored the Northwest with two visits within the past thirty days. We are always glad to see the genial countenance of our friend Tom, but two visits within one month has almost carried us off our pegs.

We also acknowledge a visit from General Agent Geo. H. Tyson. George does not seem to have grown older, notwithstanding the accumulation of cares resultant from the troublesome times.

Seattle narrowly escaped a serious conflagration on the evening of November 24th, at which time fire broke out in the basement of the three story brick building situate on the northwest corner of Cherry and Second Avenue in the store room occupied by Messrs. Joseph, Mayer & Bro., jewelers. Their entire stock was damaged 20%. The loss was adjusted by Messrs. H. R. Burke, E. A. Stout and B. D. Smalley, same being slightly in excess of \$8,000.

General Agent Coleman has just returned from a visit to the home office in New York, and reports the situation in the Western Union as extremely precarious. States that the consensus of opinion of underwriters throughout the East is, that should dissolution follow, other tariff associations could hardly be expected to hold together. He also reports that the Home has experienced a prosperous year.

We congratulate our esteemed friend J. G. Edwards upon his election as a member of the board of equalization, at the recent election. J. G. is a "trump," and we are mighty glad to learn of his good fortune.

Ask Fabj why it was necessary for him to go all the way to Elgin to have his picture taken.

Caused by an Electric Wire.

What might have been a very serious loss to the insurance companies, but for the timely arrival of the chemical, took place in the show windows of Lipman, Wolfe & Co., this city,

on the evening of the 28th ult. The fire originated from an improperly insulated wire, the current having been broken by coming in contact with a pin in the Christmas decorations. The loss was adjusted upon a basis of 2 1/2 " smoke damage on the entire stock, as exhibited by their merchandise account, which was in excess of \$421,000. Amount of adjusted claim was a trifle less than \$14,000.

ALARM BOX.

Edward Brown & Sons' General Agency.

Three old and strong companies are represented by Edward Brown & Sons of San Francisco. Every one of them has a high standing in business and underwriting circles.

There is the American Fire of Philadelphia, organized in 1810, which has a half million of capital and over half a million net surplus, making the surplus as regards policyholders more than a million dollars. This very solid American does a large business, and of a profitable nature which adds largely to its surplus funds every year.

There is the Svea, about 35 years old, with more than six millions assets, and \$2,133,333 reserved capital secured by bonds. The Svea also has \$200,000 deposited with the state treasurer of Connecticut and over \$100,000 in the hands of United States trustees, for the special protection of its American policyholders.

And there is the Agricultural Insurance Company of New York, a member of the substantial trio represented by Edward Brown & Sons. The Agricultural was organized in 1853. It has the handsome net surplus of \$435,736, and \$935,736 surplus as regards policyholders—in both respects offering security eminently satisfactory to property-owners.

Though a new firm of general agents, succeeding an old firm, Edward Brown & Sons wrote \$294,120 premiums last year, placing them No. 11 in a list of 48 San Francisco agencies.

WE want to make this journal of practical service to life men, and shall therefore welcome suggestions for its improvement.

HOLIDAY REMINDERS.

THE ATLAS issues a neat and serviceable calendar diary.

THE *United States Review's* 20th anniversary number is "a bird"—not flighty, but handsome. Our contemporary was born in Chicago in 1868 as the *Northwestern Review*, but as soon as its eyes were open it moved to Philadelphia and has lived there ever since. In every respect this number is praiseworthy, excellent, and leaving nothing to be desired except more.

Death of Manager Endicott.

George Munroe Endicott, United States manager of the Employers Liability Assurance Corporation of London, died a few days ago. He had been ill some time. Mr. Endicott had been manager of the Employers Liability's business in this country for twelve years, and was a successful and conservative liability underwriter. All his business and personal associates speak of him in terms of high respect. Mr. Endicott's death is a loss to liability interests in this country, for his influence was strong in behalf of correct practices.

CHIPS.

- Skagway: several more fires.
- Licenses issued to insurance agents must be stamped.
- The Mutual Reserve management is not Moss-backed now.
- Shingle and saw mills in Washington are very prosperous now.
- A lamp-explosion caused a fire at Everett, Wash. No insurance.
- Acetylene gas accidents continue to be uncomfortably numerous.
- Manager L. B. Edwards went on East after attending the conference in Denver.
- Publisher Edwards notes with pleasure the many kindly notices of his candidacy by the insurance press.
- A San Francisco daily paper recently referred to the firemen of Amsterdam as "sturdy Germans."
- A naughty young insurance man was rotten-egged in a Texas town. The people made an egg-sample of him, as it were.

—Rains have just fallen over the greater part of California.

—M. A. Newell & Co. have been appointed city agents for the German American by General Agent Tyson.

—The Farmers Mutual Fire of Hatboro, Pa., found none of those alleged enormous profits and fire underwriting. It has suspended. Next!

—John Premium, a local agent at Cicero, South Carolina, weighs 300 pounds. He is probably the largest insurance premium ever reported.

—A. K. P. Harmon, district superintendent Connecticut Mutual Life Ins. Co., has been visiting the company's agencies in southern California.

—Messrs. Butler and Stillman visited Eastern cities last month, and interviewed the managers of companies operating outside of the Board.

—A. F. Bailey, foreign manager of the old Union Assurance Society, is visiting the Coast and their representatives here, Messrs. Catton, Bell & Co.

—Mercer Otey, recently connected with the Equitable Life as a solicitor, but formerly a special agent and adjuster in fire insurance, and for a time the general agent of the Southern and the Sun Mutual of New Orleans, suffered a paralytic stroke this week, but at the present writing is doing well and is in a fair way to recover. His friends will be glad to hear of his complete recovery.

—ILLNESS OF PUBLISHER EDWARDS.—Mr. Edwards of the *Coast Review* met with a serious accident about a week ago. While riding on the "dummy" of a cable-car he rose to offer a seat to a lady. At the same instant the car started with a jerk up grade, and Mr. Edwards was thrown headlong and violently into the street. He struck on his head, but was able with assistance to get on to the car. Next morning, as Mr. Edwards could not be roused, Dr. Cluness was summoned. The doctor found his patient partly paralyzed but conscious and rational. At the present writing Mr. Edwards's condition is slightly improved, but at best it will be some time before he can resume active business. Pending his complete recovery, Mr. Bacon, who has long been connected with the paper, will have charge of the *Coast Review*.

—Manager L. B. Edwards has returned from his Eastern trip.

—This is a regular May winter in California—a sort of a may rain winter.—Office Boy.

—The *Coast Review* wishes all its readers a Merry Christmas and a Happy New Year.

—New policy forms in the NORTHWESTERN MUTUAL LIFE are announced for the coming year.

—Sunset District, San Francisco, is to have improved fire protection-engines and enlarged mains.

—The Ohio insurance commissioner is trying to find out the effects of the valued policy law in his state.

—The HOME LIFE business, in the home office, went on without interruption by the fire in the upper eight stories. Loss, \$170,000, covered by insurance.

—The recent joint state insurance commissioners' examination of the MUTUAL LIFE of New York confirms the company's annual statement in every particular.

—The GERMANIA LIFE will soon offer two or three new policies. One is a 20-year 75 per cent. premium redemption bond; another is a continuous installment, payable during the lifetime of the beneficiary.

—It is not so easy now to write fire-proof buildings in New York at nominal rates. Underwriters have had one experience on skyscraper risks—which is something toward a basis for estimating the hazard.

—A deliberate attempt was made, last week, to set fire to Wanamaker's store in Philadelphia. The incendiary had probably heard that John was carrying very little fire insurance.

—Sec. Griffin of the United States Fire was killed in the elevator in the company's building, by the fall of heavy weights from the top of the shaft. The elevator was an electric affair and got out of order at the eighth floor.

—Ocean log-rafts should be prohibited. They are a perpetual menace to navigation. No ship likely to become a derelict would be permitted to put to sea: why then a log-raft? A Pacific coast lumber-raft, lost at sea and recovered in part, went to pieces in San Francisco bay during a recent gale; and bay-shipping was saved from serious damage only by the fact that the floating debris was quickly blown ashore.

—The **MUTUAL LIFE** had a booth at the Spokane fruit fair, containing descriptive literature of the fruit of the great tree of family protection. The exhibit was awarded a blue ribbon diploma.

—The **Sentinels of the Universe** is the name of a new beneficiary order in San Francisco. As a sentinel's place is on the outside, the universe, according to the authors of this society, is not universal.

—The **Baldwin hotel**, San Francisco, was equipped with many modern fire extinguishing appliances; but nobody applied any of them when the big building was discovered to be on fire. It is generally so.

—From May 1 to November 1 the American army mortality was as follows: Killed, 280; died of wounds, 63; died of disease, 2,565; total, 2,910, or 1.06 per cent. of the total 274,717 men and officers. This is less than the death rate in American cities.

—According to a local print, a pretty little church in Tacoma, Wash., has a new brick chimney, the gift of Vice-President Snow of the Home Ins. Co. of New York, who visited this Coast not long ago. The new chimney replaces a dangerous pipe-flue.

—The **Utah State Millers Mutual** has indefinitely postponed its organization, for the reason, as alleged, that mill risk rates have been very much reduced. If this be true, rates have been too high. It will now be in order for the merchants and the miners, etc., to announce the organization of the Mercantile and the Mine Owners mutuals.

—**SUBSCRIPTION BILLS.**—Please do not overlook your bill for subscription to the *Coast Review*, already mailed. Napoleon said there is only one thing worse than a victory and that is a defeat. Publisher Edwards was victorious in the recent electoral battle, but—Well, a little dose of the gold cure would have a bracing effect on a somewhat shattered treasury.

—**AT CUT RATES.**—"Effected Through Johnson & Higgins" is the label attached to policies of the National Ins. Co. of Great Britain, 139 St. Vincent street, Glasgow; Insurances Corporation, 117 Bishopsgate street Within, London; and National British and Irish Millers Ins. Co., 64 Mark Lane, London. So, according to The Vigilant. The three companies carry the earmarks of wildcats—no capital, no reputation, no place of abode.

—Defective electric-wiring caused a recent fire in Seattle.

—**Randsburg, Cal.**, has had its third general fire. All three started, probably, by the desperate characters that frequent and terrorize new-mining camps.

—**John Landers** manager of the **MANHATTAN LIFE INSURANCE Co.**, has just returned from a trip through southern California and Arizona, visiting the agents of his company.

—The **Dewey Life Insurance Company** would be a good name—for a health club, at least; for not a man on the American fleet was killed in the battle in Manila bay on May 1.

—The amount of money in circulation was \$1,866,575,782 on November 1, an increase of nearly \$300,000,000 in a year: which leads us to take a cheerful view of our subscription bills.

—**ABOUT \$100,000 INSURANCE.**—**J. D. McDougald**, of Stockton, Cal., was killed last month by the accidental discharge of a shotgun, which he was in the act of drawing from a buggy. The distressing accident occurred in the presence of several men. McDougald carried insurance as follows:

Equitable Life	\$50,000
Pacific Mutual (3-5ths re-insured)	25,000
Covenant Mutual	10,000
Fidelity & Casualty	5,000

—Insurance on the **Hastings saw mill**, Victoria, was \$84,000, with about \$20,000 additional on the stock in the yards. Only a small fraction of this insurance was written through San Francisco offices. The total property loss was about \$200,000. There has been some talk of rebuilding further up the coast or at Pt. Townsend, Wash. A telegram to the *Coast Review* was printed as an extra at the time. Nothing has since been heard by way of addition or correction. The *Extra* gave these figures:

Phoenix of London .	\$11,000	Royal	\$11,000
Liv. & Lon. & Globe	5,000	Lon. & Lan. . . .	19,500
Western Assurance	5,000	Manchester . . .	2,500
Hartford Fire . . .	15,000	Guardian	2,000
Scottish U. & Nat'l	5,000	Nat'l of Ireland .	2,000
British America . .	2,500	Norwich Union .	2,500
Insurances on the yard contents, with partial salvage, were:			
Scottish U. & Nat'l	\$3,500	Sun	\$4,000
British America . .	2,500	Ætna	6,400
Phoenix of London .	2,500	Queen	3,200
North America . . .	2,500	North Brit & Mer:	2,000

—The new California administration will let in a little light by printing insurance reports and other state documents.

—Jno. T. Fogarty, superintendent of agencies of the Royal and Queen, is in Montana, but will be home for Christmas.

—Paul M. Nippert, of the J. D. Maxwell Company, has been elected president of the California Associated Cycling Clubs.

—Assistant Manager Bagley of the North British went to Denver on the 14th, and will probably be "on the road" two or three months.

—Was the local to blame? The residence of A. P. Stafford, of Fairfield, Wash., was destroyed by fire last Friday. Loss \$1,500, no insurance.

—Louis F. Vetter, a well known insurance man in Los Angeles, was elected city councilman from the 3rd ward of that southern California city.

—Lesley Bates, special agent for Gutte & Frank, returned from a visit through the whole Northwest territory, visiting agents of the old Madgeburg.

—The Fire Underwriters' Association of the Pacific has made an honorary member of A. R. Gunnison, who was one of its organizers at Virginia City in 1875.

—Charles L. Hubbard, the recently appointed agent of the Royal at Los Angeles, came to San Francisco last month, to be married to Miss Corwin, a San Francisco lady.

—A draft or order drawn on the treasurer of a fraternal organization by another of its officers, for any purpose, requires a 2-cent stamp under the war revenue law.

—At one time the UNION CENTRAL agent in Salt Lake City, W. J. Reed, has sued that company for commissions alleged to be due on a hundred thousand policy on the life of John Beck.

—The exclusive city agency of the German Alliance and United States, for some time with J. D. Maxwell, has been discontinued and a new appointment will soon be made by General Agent Tyson.

—President Cram of the Union officially circularizes the members, asking if they are ready for dissolution. Mr. Cram plainly tells them he must have the co-operation of all if the Union is to be preserved.

—Of \$797,938 claims paid by the MUTUAL LIFE in a recent month, \$243,241 was on merchants' policies, \$41,757 on farmers', \$31,709 on druggists', about the same on physicians', \$22,547 on lawyers', \$18,047 on clergymen's, \$17,193 on bookkeepers', \$16,729 on salesmen's.

—On the first of January Geo. Mel, who has been the chief clerk of the Pennsylvania Fire Ins. Co's. office in San Francisco, will sever his connection with that office and be free to accept a new position. It is a case where a good man is available for a good position.

—United States Manager Beddall of the Royal and Coast Manager Folger of the Phoenix have been having a friendly tilt in an Eastern print, on the subject of classification of fire risks. Which reminds us that the *Coast Review* a number of years ago urged underwriters to unite and "pool" their experiences and classify risks, in anticipation of compulsory classification by the state.

AGENTS WANTED.

THE REALTY SYNDICATE.

SAN FRANCISCO, CAL.

Authorized Capital, \$5,000,000.00

Assets Sept. 30, 1898, \$3,653,578.55

Capital Paid in, 1,704,150.00

Issues INVESTMENT CERTIFICATES

In any amount from \$100.00 to \$10,000.00, payable in one sum or in installments.

Interest 6 per cent. per annum, payable semi-annually.

All profits in excess of 6 per cent. shared pro rata between capital stockholders and investors.

The Syndicate owns a large amount of choice Oakland city and suburban property.

The most important factor in the development and marketing of suburban property is the

RAPID TRANSIT STREET RAILROAD.

The Syndicate's railway interests control the entire Oakland, East Oakland, Berkeley and Alameda street railway system.

Agents Wanted. Good Contracts for Live Men

14 Sansome Street, San Francisco.

—Special Agent John A. Prinsen of the Prussian National Ins. Co. is in town.

—A. C. Donnell has returned to San Francisco, after an absence East for seven months.

—Philip Bolger, of Voss, Conrad & Co.'s casualty department, is visiting the Northwest.

—Special Agent Fabj, of the Fireman's Fund for the Northwest, visited San Francisco last month.

—Special Agent Frank N. Rust of the Niagara Fire Insurance Co. is visiting his agents in Nevada.

—John G. Conrad, of Voss, Conrad & Co., has returned from a visit to his New York and Chicago offices.

—A. H. Trathm of the London and Northern office is rapidly recovering from a surgical operation for appendicitis.

—Major Ed. G. Sprowl, special agent for the Liverpool & London & Globe Ins. Co., passed through the city a short time ago, stopping a few days, on his way to Tacoma.

—The Mutual Benefit Life last week paid a \$10,000 claim on the life of a policyholder who had reached the age of 96. This is the age which the company assumes to be the limit of life and on which limit its rates are based.

—We are having unusually severe weather in California. Ice has formed on shallow pools, even in San Francisco. At Ioue the water-main, near the surface, was found to be frozen at a recent fire. The village hotel and high-school were burned.

—At a recent fire in Nankow, China, 3,000 people are reported to have lost their lives. Five incendiaries were caught and thrown into the burning buildings by the authorities; but this summary punishment did not deter other desperadoes, for fires continued to break out on three succeeding nights.

—The supervising committee of the Colorado, Wyoming and New Mexico Compact, which met at Denver on Nov. 15, were in session four days. The Coast representatives were Messrs. Geo. D. Dornin, Wm. J. Landers and L. B. Edwards. The Western Union was represented by J. W. G. Cofran, J. S. Beldeu, C. D. Dunlap, and the Denver general agents by C. J. Holman and H. T. Lamey.

—Assistant Manager Brewster of the Scottish Union visited General Agent Medford last month.

—Arch'd C. Tweedie, representing Barneson, Chilcott & Co. of Pt. Townsend, Wash., visited San Francisco last month.

—The defeat of populism in Kansas was immediately followed by offers of loans on property at lower rates of interest. The insurance companies are said to have been the first to make these offers. The reign of terror in that state must be over.

—The Board of Fire Underwriters' executive committee has elected Geo. W. Spencer chairman, Herbert Folger chairman sub-committee on rates and rules, Cesar Bertheau chairman committee on local boards, James D. Bailey chairman committee on grievances.

Coast Review

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516 Commercial St.

(Where there have been 3 fires)



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Then have your blanks
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corrections in the electro-
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*THE COAST REVIEW JOB PRINT will
give insurance men special rates.*

